



# Sodexo China IFM Quarterly

1<sup>st</sup> Issue of 2018

- Insight:
  - ISO 55001, Sodexo's Bottom Line
- Case Study:
  - Answering the Concerns of International Parents by Providing Children with a Healthy and Optimal Learning Environment
  - Facilitating Professional Healthcare Management - Providing Healthy and Comfortable Life Services to Healthcare Workers
- Front:
  - Global C-Suite Executives Eye Future-Forward Solutions during Sodexo's Second Quality of Life Conference



Sodexo China IFM Quarterly-1<sup>st</sup> issue of 2018  
 All rights reserved by Sodexo.  
 Reproduction or usage of any content in any form or way without permission by copywriter is strictly prohibited.

Building A 7F68F, Oriental Guoxin, 388 North Fuquan Road, Changning District, Shanghai  
 ☎ +86 21 2356 6888    ✉ China.Communication@sodexo.com  
 www.sodexo.cn



# Insight

## ISO 55001, Sodexo's Bottom Line



This article first appeared in ISOfocus magazine and is published here with permission. Please visit the ISOfocus Website [www.iso.org/isofocus](http://www.iso.org/isofocus) for more information.

Asset management can be the single most powerful weapon in a company's arsenal for saving time, money and lots of executive headaches. Using ISO 55001, Sodexo, a world leader in quality-of-life services, rolled out a best-practice model for asset management across numerous countries and industries – and it did it “The Sodexo Way”.

Nearly every organization needs or wants to achieve more with its assets. Not only how to minimize downtime or lost production, but also how to spend money well to deliver value for the purpose of the organization.

In the last few years, many companies have begun to realize the importance of asset management as an enterprise strategy that, properly implemented, will improve financial performance. Typical results of an asset management system include improved control of day-to-day activities and business efficiencies, reduction of risk-related costs, compliance in regulatory activities and reduced failure rates.

The tangible results include a significant increase in profitability accompanied by a dramatic drop in unit cost.

In their paper “Quantified Benefits from Asset Management – The Sodexo Journey,” Peter Jay, Principal Consultant at the Woodhouse Partnership Ltd, and Keith Hamer, Group Vice-President, Asset Management & Engineering, at Sodexo, explain how the company implemented ISO 55001 and transformed their business, to enable growth and improve value to their customers.

Sodexo, world leader in quality-of-life services, has become one of the first services provider to offer a global asset management service in compliance with ISO 55001. At the end of a two-year journey, the company has received the accreditation for its global asset management framework and for the application of the framework at AstraZeneca's UK sites of Alderley Park and Macclesfield, with which it enjoys a strategic partnership.

Sodexo is leading the way in offering comprehensive asset management capabilities globally and to clients in diverse segments ranging from corporate and healthcare, to manufacturing, mining, and oil and gas. And the results are promising! Here, we share the main findings of Sodexo's journey to impressive financial performance.

### Background

In 2011, 77% of Sodexo's business was the provision of food services while the remaining 23% was other services (including EUR 4.14 billion of facilities management). Reviewing its portfolio, Sodexo identified that its biggest potential for growth globally was in the provision of integrated facilities management (FM)<sup>1)</sup>. This was a competitive market where the Group was not universally recognized as the partner of choice and its international clients were looking for confidence that a consistent standard of service would be available to them across the world.

At that stage, Sodexo did not have a standardized approach. Since FM services were often added to the portfolio by acquisition of existing providers, there were inconsistencies of quality and variable levels of maturity when considering the global services provision. So the challenge was to create a “Sodexo Way” that would enable a standard, recognizable approach to be put in place wherever Sodexo was responsible for FM services. After a worldwide search, Sodexo selected The Woodhouse Partnership (TWPL) as their strategic partners to design and develop such a management system.

1) The integrated management of a number of specialist individual service delivery organizations within a defined facility portfolio.

# Business Benefits



## “Early Adopter” approach

Although the architecture and main content of the framework was developed by a central multidisciplinary working group, it was in the Early Adopter locations that many lessons were learned, and experience from these first steps enabled the documentation to be improved and the engagement process refined.

The Early Adopters were chosen deliberately from a wide range of countries and contracts. Each Early Adopter learned and improved from the one before – in fact, it was found that there was a surprising amount of commonality in required solutions. Eventually, this created a “toolkit” that enabled solutions for any contract to be assembled quickly.

## People involved

The programme to implement Asset Management Framework was led by a small group with accountability for technical advice and direction, but it was necessary to engage and get consent from national senior managers with line accountability. The project was sponsored by a senior executive, and the leadership and vision enabled good engagement and support globally. All personnel involved in the project were required to demonstrate commitment and participate frequently, both as team members and leaders. The success of the enterprise was largely a result of the effective team working.

The project has delivered objectives and realized benefits exceeding preliminary estimates. Initially proposed as “discretionary,” the asset management framework has now become a requirement for all new FM business and is being universally adopted. The framework creates the consistent asset management system compliant with ISO 55001, *Asset management – management systems – Requirements*, and sets out good asset management practice, with embedded continual improvement methodology. Clients are engaged and agree asset management objectives and strategy that align with their business drivers, then benefits are realized and measured.



Improved control of day-to-day activities and business efficiencies

**10% average improvement**



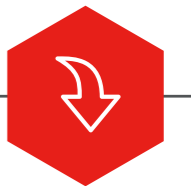
Risk management put in place for assets and their performance, including the assessment of criticality and the development of contingency planning and mitigating actions to prevent potential risk of business interruption

**40% reduction of risk-related costs**



Specification of performance indicators that directly impact the organization’s ability to achieve its key objectives in line with asset management – defined improvement in customer service and 100 % compliance in regulatory activities

**defined improvement in customer service and 100% compliance in regulatory activities**



Clear definition of asset performance criteria and data collection requirements to ensure effective feedback on asset condition and status, and continual improvement of asset management activities

**reduced failure rates of -20%**



## Roll-out

As of April 2015, the Asset Management Framework had been launched on 47 projects across 23 countries and involved a community of over 500 managers and technical staff in implementing asset management.

This was made possible by establishing a global learning programme. Together a tri-party combination of Sodexo, Asset Wisdom and TWPL principal consultants developed 18 e-learning modules and five face-to-face classroom workshops, aligned to the Competency Requirements Framework of the Institute of Asset Management. This learning programme is now provided in nine languages and has a current learning group of over 1500 management and technical staff.

## The bottom line

Sodexo has demonstrated increased benefit for our clients in the implementation of best-practice asset management, which is published as individual case studies. These include:

- Operational efficiency through improved asset management planning of 20%
- Total cost of operation reductions of between 7% and 12% per annum
- Increased reliability of asset infrastructure by between 10% and 25%

What's more, Sodexo achieved a marked improvement in the internal engagement scores for the global technical community as a result of the introduction of the asset management programme.



### KEY FACTS ABOUT ISB



ISB is an independent, co-educational school from Pre-K through Grade 12.



1,650 students from Pre-K through Grade 12



13 ha campus and 60,000 sq. meters of indoor facilities which are partly pressurized to ensure optimal air quality

## CASE STUDY INTERNATIONAL SCHOOL OF BEIJING (ISB) / CHINA

### Answering the Concerns of International Parents by Providing Children with a Healthy and Optimal Learning Environment

Scan the QR Code and watch the case study video:



For international parents living in China, the quality of life of their children is of primary importance. This translates into a vital concern: that their child's school provides and ensures a healthy, optimal environment for study and an active participation in all types of sports and recreation.

Since 2006, Sodexo has been providing ISB with a unique,

wide range of Facilities Management services based on a common vision: to ensure the daily well-being, health, safety and comfort of all students and ISB staff through continuous monitoring and maintenance of the campus' s grounds, academic buildings and sophisticated recreational infrastructures.

Sodexo' s decades of expertise in Facilities Management

has been reinforced by ISO 55001 accreditation and the introduction of Asset Management Framework, a best-in-class monitoring and performance tool that has led to greater asset efficiency, reliability and long-term cost control. All tools, services and on-site capabilities implemented by Sodexo contribute to ISB's improved academic and organizational performance.



## In China, international parents put Quality of Life as a top criterion for selecting their child's school

With more and more families moving to China, the quality of their children's lives and education makes all the difference in whether or not they are willing to stay.

International parents have extremely high expectations of their children's education and the institutions responsible for their learning and development. This is particularly true in Beijing where a school's ability to protect student's from the city's extreme weather patterns and ensure their health and safety, while also providing them with access to a wide range of physical and extracurricular activities seriously impacts the parents' decision to remain in China or to leave. These parents are willing to pay increasingly costly tuitions, which can range anywhere from 20-25K Euros per child per year, but they expect the school to excel in a number of ways: academic excellence, the promise of their child's personal and physical development and, above all, their child's level of wellbeing (which includes breathing clean air), safety and comfort provided by the school and the activities it offers.



*"Young students need safe opportunities to exercise and play in large recreational areas throughout the school day if they are to successfully concentrate on the learning activities and academic lessons in class."*



*Dr. Gerrick Monroe,  
Chief Operating  
and Financial Officer, ISB*

9%

of expat parents in China think that their children's health is very good and that they have a wide access to recreational activities<sup>(1)</sup>.

104

international Chinese private schools in Beijing in 2016. There were 46 in 2011<sup>(2)</sup>.

100%

of all students at ISB hold foreign passports.

For ISB, Quality of Life is a key asset to attract and retain students and teachers in the fierce competition between international private schools in Beijing.

In Beijing, the growing wealthy international community has increased competition among the city's private schools. In fact, in the past five years, the number of International private schools in Beijing has more than doubled and each one is fighting for a share of this lucrative and demanding market. Beijing also faces significant environmental challenges, one being air quality, a top concern of parents, and one of the first issues that potential new teachers ask about when presented with an employment offer. In this complex and competitive landscape, ISB's need to attract and retain top talent, (it employs 200 faculty members from over 20 different countries) and to provide them with the best, healthiest teaching environment possible is a critical commercial imperative. Promising Quality of Life, which includes air quality, safety and wellbeing, all of which are ensured by Sodexo's integrated core services and capabilities, enables ISB to do this.



**Since 2006, Sodexo has been providing ISB with a range of Quality of Life services to bring well being, health, safety and comfort to all 2,500 students and staff.**

(1) Source: Expat Insider survey, Internations, 2016.

(2) Source: ISC Research, 2016.

Sodexo's partnership with ISB is based on a common vision: that Quality of Life ensures optimal performance, both in and out of the classroom.

Working with 3,000 schools in 42 countries, Sodexo understands that the success and performance of ISB hinges on Quality of Life and the health and well being of its students and staff. Access to recreational and leisure activities and the quality of the physical environment itself are critical to students' ability to study, play and develop, to teachers' ability to focus on their academic responsibilities, and to parents' peace of mind, knowing that their children are safe and well cared for. Sodexo's integrated core service offer, which includes cleaning and housekeeping, landscaping, building and electrical maintenance, and engineering expertise to maintain ideal temperatures, ventilation, lighting and air quality, constantly aims to improve the quality of life for all and the school's business continuity.

When ISB decided to invest in hermetically sealing the campus and building pressurized sports domes, Sodexo accompanied them in this challenging transition.

In 2013, ISB completed the hermetic sealing of its entire campus and the construction of two pressurized sports domes. This changed the game in facilities management, making it far more complex and challenging than ever before. As a result, ISB held a fiercely competitive bid among major market players, including Sodexo, to oversee the school's new state-of-the-art Heating, Ventilation and Air Conditioning (HVAC) system. Because it maintains air quality, ambient temperature throughout the campus, and water supply systems, the HVAC is central to ISB's operations and vital to the school's overall performance. Sodexo won the bid thanks to its experience and capabilities in managing complex facilities in precision industries and healthcare, where air quality must be maintained at the highest possible level. ISB renewed Sodexo's contract and the partnership is thriving.




**SPORTS AND RECREATIONAL FACILITIES FOR OPTIMAL QUALITY OF LIFE.**

Sodexo cleans and maintains ISB's library media centers, visual art and art studios, student cooking lab, 600-seat theater, four gymnasiums, two soccer fields, stadium, fitness center, baseball and softball diamonds, children playgrounds and 25-meter swimming pool

*"With a commitment and responsibility to provide high-quality indoor air quality at ISB, it is rewarding to review the air quality data from 55 separate points around campus which confirms that our efforts have been successful. As a result, our educational community remains safe."*



Dr. Gerrick Monroe,  
Chief Operating  
and Financial Officer, ISB

**KEY PERFORMANCE LEVERS**

- One on-site manager and privileged point of contact for ISB
- 107 on-site expert Sodexo employees committed to ensuring the well being of the school, its students and staff
- A monthly dashboard of 20 KPIs that are strictly controlled and monitored and created to ensure a high level of quality of service
- The KPI for Preventative Maintenance (PM) to Corrective Maintenance (CM) ratio is set at 80:20. Sodexo consistently achieves 82:18
- Asset Management Framework complete lifecycle analysis tool
- Access to Global Standard Operating Procedures and Best Practices

**ISO 55001 AND ASSET MANAGEMENT FRAMEWORK: SODEXO'S WINNING COMBINATION**

Sodexo achieved ISO 55001 accreditation in 2017 in all areas, including cost reduction and application of ISB's CSR standards. Its Asset Management Framework, a best-in-class monitoring and performance tool, increases asset efficiency, reliability and cost.

This certification is the first for Sodexo's Schools segment and the first in the Asian region.



## Decades of high-level expertise and experience enhance the performance of ISB and its students and staff

### Sodexo's Service Solutions

To safeguard staff and student health from harmful air pollutants, HVAC, system management ensures measuring air quality 3 times a day to immediately detect and resolve any anomaly.

To ensure optimum safety and security for the around 2,000 people who occupy the ISB campus, strict on-site timetable facilities management oversees electrical and building maintenance for boilers, fans, pumps, and sprinkler and electrical systems.

To provide students, teachers and staff with peace of mind, and the ability to stay focused on their academic and extracurricular endeavors, daily cleaning, housekeeping and setting up services cover 32 classrooms and sports and leisure facilities, as well as the landscaping and maintenance of 13 hectares of campus grounds.

Crowned by ISO 55001 accreditation, Sodexo's integrated services and technical expertise in complex facilities management ensures delivery of the highest quality of life and healthiest school environment in Beijing.

Sodexo's Asset Management Framework (AMF), which received the ISO 55001 accreditation, controls engineering services at ISB - making ISB the first Sodexo site in Asia with this accreditation. AMF is a complete life cycle analysis tool developed for industrial and medical environments, and deployed as a global offer

of Sodexo's Asset Management Services (AMS). Sodexo has deployed more than 600 AMS contracts worldwide for clients across all activity sectors, and it has proven its value in industrial conditions and precision environments in China. But this is the first time in China that AMS is being used in a school environment.

Sodexo also relies on its cross-segment Service Operations Team to produce Standard Operating Procedures (SOPs) that are deployed in the 80 countries where Sodexo operates. These are used at ISB to deliver Sodexo's core services in the most efficient and cost-effective way possible.

With 107 full-time on-site staff members, Sodexo maintains a keen focus on organizational and academic performance.

Sodexo's 107 on-site employee experts at ISB use Asset Management Framework, apply global best practices and SOPs to ensure best-in-class facilities management, and use KPIs to guarantee a high level of service quality. Sodexo has taken on the critical responsibilities of constantly monitoring and maintaining each ISB

asset, enhancing the lives and performance of these assets. As a result, ISB is better able to focus time and efforts on the organization's core responsibility: the academic achievements and success of its students and the provision of a healthy, safe environment where all stakeholders can thrive.

Sodexo's Quality of Life services are the cornerstone to academic performance, physical health and emotional well-being for all students, teachers and staff at ISB. Improved ventilation and thermal conditions in classrooms increases student learning and performance. Best air quality, maintained ambient temperatures and physical activity benefit student's health, learning and development.



## CASE STUDY

## SHANGHAI TONGREN HOSPITAL / CHINA

# Facilitating Professional Healthcare Management - Providing Healthy and Comfortable Quality of Life Services to Healthcare Workers

### KEY DATA OF SHANGHAI TONGREN HOSPITAL

- Four campuses
- Nearly 2,000 healthcare workers
- 34 departments, three key city-level specialties
- 130,000 square meters of floor space
- 1,200 beds
- More than 2.28 million outpatient services and emergency treatments delivered
- 44,000 inpatients
- 29,000 surgeries

2017 data



Recently-released statistics indicate a serious imbalance between supply and demand in the current medical market in China — compared with a doctor/patient ratio of 27.4/10,000 in England, the ratio in China reaches only 17.4/10,000. The scarcity goes even more obvious when it comes to high-quality medical resources. (1)The rapid rise of the Internet highlights challenges facing the traditional medical industry even further. Today, domestic patients face problems such as difficulty in getting properly registered, the high cost of getting medical treatment, poor medical treatment and the overcrowding of large hospitals. Why? Various factors, including the fact that healthcare workers take on heavy workloads and face huge pressure, contribute to the fact that the profession of "doctor" is no longer a top career

choice. This leads to a shortage of doctors, which in turn has a negative impact on the efficiency of organizational and institutional management in the healthcare industry, even turned into a vicious circle.

In April 2016, Tongren Hospital affiliated to Shanghai Jiao Tong University School of Medicine ("Shanghai Tongren Hospital") joined hands with Sodexo in trying to solve the "head-scratching problems" faced by the Chinese medical industry, as well as promote "efficient healthcare administration". After nearly three years of cooperation and research, Shanghai Tongren Hospital and Sodexo formulated an integrated "Quality of Life services" solution exclusive to the healthcare industry, covering a series of integrated facilities management projects ranging from renovating hospital

restaurants to building a "workers' home". Other upgrades include better management of the new medical students' dormitory.

Sodexo is the world's leading service provider in the health and medical industries. With more than 40 years of business experience, it has enjoyed long-term cooperation with more than 4,300 hospitals around the world, with an average contract term of 15 years. Additionally, Sodexo has over 15 years of operating experience in serving Chinese public hospitals. The introduction of international resources and optimization of local best practices have been implemented and developed at Shanghai Tongren Hospital, boosting hospital management and operating efficiency.

(1) Source: Orderly Develop Internet Medical Service. Economic Daily, Page 05, October 7<sup>th</sup> 2015



## Shanghai Tongren Hospital takes the recruitment, training and retention of medical personnel as one of their top priorities

Founded in 1866, Shanghai Tongren Hospital was one of the earliest Western medicine hospitals in Shanghai since the city opened its port to the outside world. Composed of four campuses: Xianxia Road Campus, Yuyuan Road Campus, Hami Road Campus and Hongqiao International Medical Institute, the hospital serves the entire Changning district, as well as six other surrounding districts, including Jiading, Qingpu. It is responsible for the

treatment of dangerous, acute and severe diseases, as well as the prevention and control of major infectious diseases. During China's 13<sup>th</sup> Five-Year Plan period, Shanghai Tongren Hospital aims to establish itself as a tertiary comprehensive hospital and affiliated hospital to key universities, and is currently striving to improve its comprehensive capabilities in medical-educational research, as well as the quality of its services.

Shanghai Tongren Hospital, now in rapid development and expansion, is in dire need of talent. In 2016, Shanghai Tongren Hospital issued a notice titled "Open Recruitment of about 100 Medical Professionals", in an effort to hire around 100 clinical and medical staff members over a short period of time, involving more than 30 clinical and medical departments. In recent years, the shortage of medical professionals in China has become a

serious source of concern in the medical and health industry. A study published in *The Lancet* indicated that between 2004 and 2015, China was home to 4.728 million medical graduates, but only 752,000 new medical practitioners, which means that more than 84% of medical graduates chose not to become doctors.<sup>(1)</sup>



MA Jun  
President of Shanghai  
Tongren Hospital

*"To be a doctor is indeed hard. Most of the time, doctors are misunderstood by society. We need to create a culture that is warm, supportive and caring."*

77%

of doctors said they worked more than 50 hours a week

83.4%

of doctors indicated they couldn't have meals at a fixed time everyday

43.3%

of doctors complained that they were too busy with work to regularly exercise

28.2%

of doctors were at high risk of becoming obese

**MOST**

doctors often suffered from fatigue.

Faced with the problem of attracting industry talent and convincing healthcare workers to be willing to stay in the industry, Shanghai Tongren Hospital shares the same "solution" with Sodexo — increased concern about the physical and mental health of doctors, increased security for healthcare workers and provided doctors with a high-quality and comfortable working environment. Such an environment will allow doctors to focus on their work without distraction. This also reflects the "talent strategy" of Shanghai Tongren Hospital, and the integrated service solution customized by Sodexo helps to achieve this vision.

(1) Source: *10-year trends in the production and attrition of Chinese medical graduates: an analysis of nationwide data. Lancet, Vol.388*

(2) Source: *"I am the president | Shanghai Tongren Hospital: 5 years of Accelerated Running -President MA Jun's Management Philosophy", CN-healthcare.com*

(3) Source: *"Research Report on the Living Status of Chinese Doctors in 2017", iResearch*





## Sodexo's service solution:

### 120 on-site employees

Senior chefs, professional service staff, clinical dietitians and fitness instructors, etc., ensuring the health and comfort of healthcare workers.

### Participating in the kitchen design

Sodexo's kitchen design and engineering team and on-site service team had been involved in kitchen design at the Xianxia Road Campus before officially opened the site, laying the foundation for high quality service.

### Staff canteen operation

based on a diversified menu, each year providing Chinese and Western breakfast (about 600 person-times), lunch (about 1,300 person-times) and dinner (about 100 person-times), including snacks and a buffet; serving small-pot dishes; supportive of celebration events and activities of the hospital, including tea breaks, themed catering, food festivals, etc.; introduction of Sodexo's self-owned coffee brand "Le Café", thus breaking the limitation of single brand coffee products; and providing high cost-performance hot drinks, juice, counter meals and retail products.

### Medical students' dormitory management

Providing dormitory property management services including cleaning, security, etc.

### Gym operation and management

Arranging on-site trainers and receptionists; providing equipment use instructions and gym operation services; helping organize "workers' home" fitness competitions; receiving an average of 200 person-times per month.

### U e+ patient nutrient meal solutions

Integrating the hospital HIS system and B/S backstage management website to allow patients to order meals online; combining doctor advice with the guidance of Sodexo's clinical dietitians to conduct meal ordering management, preparation and delivery; and upgrades the patient food label (including name, bed number, doctor advice on dietary, QR code and dietetic contraindication), to facilitate patient recovery.

## Sodexo's Quality of Life services facilitate a healthy and efficient workplace experience for more than 1,800 medical workers

It's Shanghai Tongren Hospital's belief that professional issues should be handled by professionals. Based on 10 years of experience in medical industry services in China, Sodexo believes that in order to improve healthcare workers' Quality of Life, they should alleviate the burdens of their busy work to improve their health and comfort. That belief has driven Sodexo to make the Shanghai Tongren Hospital canteen an "online celebrity restaurant", and is also Sodexo's driving force in re-upgrading the nutrient meal

solution provided to patients. In September 2017, when the hospital decided to invest in building a "workers' home", including a gym, a library and lounge areas, Sodexo undertook the important task of gym operation and management, drawing on its experience in providing wellness services for pharmaceutical companies and internet companies. In February 2018, Tongren Hospital established and managed a dormitory for medical students as part of its talent cultivation project. Sodexo's experience and expertise in

property management and room service will provide a powerful "backing" for the hospital's future medical talent development.

### Shanghai Tongren Hospital integrated facilities under Sodexo management



- **Staff canteen:** covers an area of about 1,700 square meters;
- **The gym of the "workers' home":** covers around 200 square meters, including a fitness area, lockers and locker rooms. Equipped with eight treadmills, two elliptical machines, two sets of spin bikes, one rowing machine and one integrated power device;
- **Medical students' dormitory:** 118 beds, overall property management.



ZHOU Ming  
General Affairs Department of  
Shanghai Tongren Hospital

"Shanghai Tongren Hospital has been committed to providing a pleasant working environment for its employees. Now, under the operation and management of Sodexo, our restaurant has been named an online celebrity restaurant, not only receiving high praise from the staff, but also attracting attention and visits from industry peers. That shows that our joint efforts have obtained positive results and the Quality of Life of our employees has been improved."



At the beginning of the cooperation, President of Shanghai Tongren Hospital Ms. MA Jun said: *"What nails us is Sodexo's expertise and international experience in hospital logistics services, and we hope Sodexo can help with our hospital's upgrades in services."* Having originated in France, Sodexo is an enterprise with a strong presence in 80 countries, whose rich global resources and technology can bring added value to Shanghai Tongren Hospital.



Marking the 150<sup>th</sup> anniversary of the hospital's establishment, Shanghai Tongren Hospital was included in the "Sodexo Global Chef Program". French chef Yannick visited the staff restaurant at Shanghai Tongren Hospital and interacted with healthcare workers through activities such as on-site cooking, lucky draws and joyful selfies, consumer cooking classes and a VIP cocktail party. This event also enabled the staff to taste authentic French cuisine. The program won 96% satisfaction at Shanghai Tongren Hospital.



In the field of healthcare, Sodexo also shares its healthcare resources in France with Shanghai Tongren Hospital. In December 2016, introduced by Sodexo, a medical delegation from Rhone-Alpes, France, visited Shanghai Tongren Hospital. The two sides communicated on the construction of important departments such as information-based outpatient facilities, obstetrics and rehabilitation centers, further accelerating the discipline construction and improvement of Shanghai Tongren Hospital via this international communication.

## International resources and cross-industry solutions greatly heighten the Quality of Life in the hospital

With its staff as its center, Shanghai Tongren Hospital adopts an advanced hospital management style and has proved itself to be a pioneer in multiple initiatives concerning employee welfare among public hospitals. These initiatives include the modern-style "workers' home", a public space rarely seen at other public hospitals. In providing wellness services,

Sodexo has not only introduced the American concept of "Mindful" to the domestic market, but has also provided services for almost 10 corporate clients. Sodexo has implemented cross-field practice by introducing it to the Shanghai Tongren Hospital, thus creating the first wellness service operation in public hospital.

Sodexo's Quality of Life services have been well received by hospital staff, with an average satisfaction rate of 89%. Sodexo team is taking on the difficulties of the medical industry to help organizations achieve their business goals and eliminating difficulties and anxieties to deliver new energy to medical institutions. This is achieved through Sodexo's integrated facilities management solution "Quality of Life", as well as its own unique advantages.



FRONT



## Global C-Suite Executives Eye Future-Forward Solutions during Sodexo's Second Quality of Life Conference

Sodexo kicked off its second Quality of Life Conference on 16th, 17th October in 2017 in London, bringing together leaders of companies, universities, NGOs, hospitals, governments and communities from more than 30 countries to explore the future of Quality of Life. The Conference builds on the movement launched at Sodexo's inaugural Conference in 2015 in New York, which advocates for business models that deliver economic growth, social responsibility and personal fulfillment for consumers.

Despite their diverse backgrounds, Conference participants share a vision that embraces quality of life as a driver of a more prosperous and meaningful future for all. The agenda leverages practical solutions and real-world insights from Sodexo's 50-year history in the service business and from its varied base of consumers and partners. In sessions, leaders explore progress that is proving critical to the future of quality of

life as it relates to six distinct populations of consumers: corporate employees, patients, workers in atypical environments, seniors, students and citizens.

Highlights from the Conference include inspirational talks from the world's most pioneering thinkers, from the founder of Barefoot College (Sanjit "Bunker" Roy), to the first Iranian in outer space (Anousheh Ansari), to an Academy Award-winning actress and political activist (Jane Fonda). After, in-depth panel discussions explore the consumer groups in further detail, with an aim for concrete outcomes and concluded with a roundtable focused on partnerships between the world's cities and their residents and ways to engage and involve residents in creating quality of life in an urban world.



Scan the QR Code, watch the video

Meanwhile, inventor, author and futurist Ray Kurzweil, Sodexo Chairwoman Sophie Bellon and Angel Gurria, secretary-general of the Organization for Economic Co-operation and Development (OECD) gave wonderful addresses on the closing day of the conference. In his remarks, Kurzweil painted a picture of our future world, where nanotechnology, robotics and life extension technologies all converge. Referred to by Forbes as "the ultimate thinking machine," Kurzweil is above all an optimist.

*"The pace of change, and innovation, in today's digital landscape is incredible,"* said Sodexo Chairwoman Sophie Bellon. *"While it may bring uncertainty and complexity, I am confident that it offers far greater hope to solve many of the world's biggest challenges."*



# SODEXO NEWS

## -- Sodexo on the News



### China Daily: Sodexo Group strengthens integrated support services for mainland corporates

Bruno VAQUETTE, Country President of Sodexo China, interviewed by China Daily and stated that Sodexo will strengthen integrated support services for mainland corporates via innovation and more services. *"Chinese companies have recognized the significance of employees' fitness to their business, and are investing more to improve the quality of their life. Their leaders know that employees' happiness is key to the company's success,"* Vaquette said. *"We will respond to industry trends and needs via innovation and more services."*

### Urban Family: Promoting a Healthy Environment at School: Food & Drink Supply

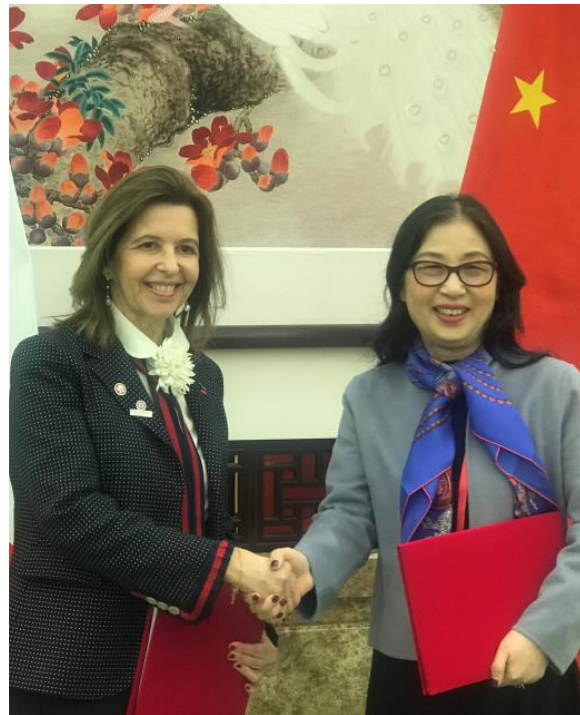
Sodexo onsite team at NAIS Shanghai, Pudong, was interviewed by Urban Family on how to promote a healthy environment at School. Each school group has different requirements, where the ratios of fiber, fruit and vegetables, protein and fats are altered to provide the recommended daily amount. Other factors such as change of season and exam periods all have an effect on the type of dishes offered.

More than 30 game-changing innovations and creations—from robot waiters to virtual reality demonstrations — were showcased in the Discovery space, an immersive, interactive exhibition. The Spark Life Contest organized by thecamp, sponsored by AccorHotels Group, SNCF Gares & Connexions, Le Village by CA, Sodexo and Steelcase, recognized those startups that have the power to meaningfully transform people's quality of life. Winners are: eelway (AccorHotels Group and SNCF Gares & Connexions), bioo (Le Village by CA and

thecamp), Smunch (Sodexo), Orosound (Steelcase) and Bioo as the Coup de Coeur. Sodexo's Trailblazer Challenge also made way for an intimate dialogue between seasoned leaders and rising change makers, including Professor Sir Cary Cooper, Professor of Organizational Psychology and Health at the Alliance Manchester Business School, University of Manchester United Kingdom, Sissel Hansen, Founder and CEO, Startup Everywhere/Startup Guide, Wendy Luhabe, Pioneer for the Economic

Empowerment of Women and Takunda Ushe, Co-founder and Director, Circle of Influence Projects Society. Together, they explored the climate for startups, focusing on sustainable development and economic empowerment for women. *"Today, we learned that the future is here,"* said **Denis Machuel, CEO of Sodexo.** *"It's up to us to broaden our minds and embrace these forward-thinking solutions in our businesses, governments and society as a whole."*

## Business



During official visit to China by French president Macron, a global partnership agreement was signed between Sodexo, world leader in Quality of Life services, and Huawei, a leading global information and communications technology solutions provider. The agreement was signed in the presence of Bruno Le Maire, French Minister of the Economy and Finance, and Zhong Shan, Minister of Commerce for the People's Republic of China. The agreement opens the door to Sodexo providing Huawei with integrated facilities management services on a global scale. Huawei has upcoming IFM projects totaling US\$400 million. The partnership represents a robust boost to the existing relationship between the two companies, which began in 2013 and currently covers 12 countries and 4 continents.



Sodexo, world leader in Quality of Life services, announced its partnership with XNode, an international incubator and accelerator well associated with vibrant startup communities and corporate intrapreneurs in China.



Sodexo attended Coliseum Summit ASIA PACIFIC at the National Stadium, This summit was hosted by Coliseum, a top name in international stadium conferences. Thomas OUDART, Vice President Business Development, Sports & Leisure, Sodexo China, was a speaker of this conference, provided Sodexo's perspective and solution to stadium operations, especially on the aspect of stadium movement and transition, in a case of Olympique Lyonnais, one of the best French soccer club.

## Service and Research



Sodexo released its first-ever International Student Lifestyle Survey in China, which surveyed 4,000 students in China, U.S., U.K., India, Italy and Spain from three continents for insights about ways to improve quality of life along students' academic journeys. We found from the survey that Chinese students are more worried about career problems.



Scan the QR Code,  
read the full text



Sodexo ventures digitalization. In September 2017, VR has been introduced into safety training in Sodexo, which enables a simulation of safety operations in kitchen via virtual reality. Firstly launched in Shanghai, till now, a total of more than 400 people have already experienced this safety kitchen training via VR, including over 170 employees and 230 consumers.



Sodexo's Global Chef Program at China station in 2017 had a smooth ending. Sodexo's Global Chef Program sent reputed chefs from around the world to different destinations, displaying live cooking, lucky draw, happy selfie, consumer cooking courses, VIP cocktail parties, and sharing international cuisine with clients, consumers and local teams.

# Awards



At the end of 2017, Sodexo attended “Innovation Defines the Future’ China Innovation Summit 2017” organized by The Economic Observers, and was awarded “2017 China’s Most Committed Innovative Company”. Cheney GUO, Digital Head of Sodexo China, was invited to deliver a speech with the subject of “Seize the Future Journey, Digitization Drives Quality of Life Services”.



Sodexo announced that it has been named to Bloomberg’s 2018 Gender-Equality Index (GEI) which measures gender equality across internal company statistics, employee policies, external community support and engagement, and gender-conscious product offerings.



Sodexo, world leader in Quality of Life services, reinforces its position as one of the most sustainable companies in the world by earning Gold Class distinction in RobecoSAM’s annual “Sustainability Yearbook 2018”. For the eleventh consecutive year, Sodexo was ranked as the top-scoring company in its sector for its excellent sustainability performance.

## Key Figures



### Human Resource

Since 2018, Shanghai, Anhui, Jiangxi, Guangxi, Liaoning and Tibet announced to increase their minimum wage standards. At present, the monthly minimum wage of Shanghai, Shenzhen, Tianjin and Beijing are over 2,000 RMB. Among them, the monthly minimum wage of Shanghai is 2,300 RMB which ranked the first nationally. Beijing has the highest hourly minimum wage standard of 22 RMB.



### Consumer Price Index

CPI +2.1% year-on-year growth in Mar, 2018  
 Food Costs +2.1% year-on-year in Mar, 2018  
 (meat -6.1%, eggs +17.6%, fruits +7.4%,  
 vegetables +8.8%, seafoods +5.6%, grains  
 +1.1%)

Source: data.stats.gov.cn