



ResMed UK
ResMed Quad 1, First Floor
Becquerel Ave
Harwell Campus
Oxfordshire
OX11 0RA

29th September 2022

Dear Valued Customer,

As previously communicated to you, ResMed decided to appoint a European logistics provider, CEVA, to serve an increasing demand, support new services and to access greater warehouse capacities and better automated processes. This appointment was planned in 2021 and deployed in the summer of 2022.

Despite detailed and thorough preparation, unexpected internal and external challenges in our transition have arisen which affect different steps in our delivery process. This has led to a temporary, but significant, decrease in our capacity to ship orders, an increase in our lead times and a degradation in the overall service experience to customers. In turn, this has resulted in a backlog of orders which have been complex to process throughout our service providers' network, leading to reduced visibility on the status and progress of these orders.

We recognise the urgency of the situation and, as our top priority, have put in place a focused action plan closely coordinated by our Global Leadership Team to address the issues we have identified and restore our flow of processed orders, while working in parallel to bring deliveries back up to normal levels of service.

As a result of this plan, our capacity to deliver orders and delivery times has already improved and we expect it will keep improving progressively over the next few weeks. Currently, our primary objective is:

- To process the existing backlog of orders by mid-October.
- To be back to full capacity to deliver orders by mid-October.
- To fully normalise our delivery times by late October.

As we work to meet this objective, we are also following the guiding principle that Astral and Stellar orders be prioritised on an ongoing basis to first serve patients with severe respiratory failure and those needing life sustaining devices.

We have also staffed up our customer service teams and created an escalation team to improve the visibility of pending orders. As of next week, we should have full visibility of the current status of each order and should be able to share it with you on demand through your usual ResMed contact.

Finally, and in parallel, we are working on a plan to improve the overall service experience.



As we focus on resolving the situation, we are conscious that new questions may arise and we will keep you updated on a regular basis.

We greatly appreciate your patience and partnership as we work through this transition. Please be assured that we are doing everything we can to resolve all outstanding issues in the shortest timeframe possible.

Yours faithfully,

A handwritten signature in dark ink, appearing to read "A. Valterio", followed by a long horizontal line.

Antoine Valterio

Country Manager UK & Ireland

On behalf of ResMed UK Limited