

UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**SCHEDULE 14A**

Proxy Statement Pursuant to Section 14(a) of  
the Securities Exchange Act of 1934 (Amendment No. XX)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under §240.14a-12

**Merit Medical Systems, Inc.**

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(Name of Registrant as Specified In Its Charter)

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(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
  - Fee paid previously with preliminary materials
  - Fee computed on table in exhibit required by Item 25(b) per Exchange Act Rules 14a6(i)(1) and 0-11
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# **Notice and Proxy Statement**

## **2023 Annual Meeting of Shareholders**





## TO OUR SHAREHOLDERS:

April 4, 2023

It is my pleasure to invite you to participate in the 2023 Annual Meeting of Shareholders (including any adjournment of the meeting, [the Annual Meeting](#)) of Merit Medical Systems, Inc. ([Merit](#) or the [Company](#)), which will be held on **May 18, 2023, at 2:00 p.m. (Mountain Time)**. The Annual Meeting will be held virtually, via live webcast, at [www.virtualshareholdermeeting.com/MMSI2023](http://www.virtualshareholdermeeting.com/MMSI2023). Shareholders will be able to attend the Annual Meeting, and submit questions and vote their shares during the Annual Meeting, from any location that has internet connectivity. There will be no physical in-person meeting; however, we hope you will attend the meeting virtually. For further information about how to attend the Annual Meeting via live webcast, and how to submit questions and vote your shares during the live webcast, please refer to the accompanying Proxy Statement or the Notice Regarding the Availability of Proxy Materials which was mailed to you (the [Notice](#)).

In 2022, Merit completed the second year of a three-year Foundations for Growth (FFG) program. The FFG program has helped us strengthen the foundational capabilities of our business. This includes expanding our ability to scale, improving profitability, delivering top-line growth, and innovating in the marketplace.

We hope you will participate in the Annual Meeting. The Company is providing access to the proxy materials for the Annual Meeting via the internet. Accordingly, you can access the proxy materials and vote prior to the Annual Meeting by visiting [www.proxyvote.com](http://www.proxyvote.com). Instructions for accessing the proxy materials and voting are described in the Proxy Statement and in the Notice. Please review the proxy materials prior to voting. Your vote is important to all of us at Merit. I look forward to your virtual attendance at the Annual Meeting.

A handwritten signature in black ink, appearing to read 'Fred P. Lampropoulos'.

**FRED P. LAMPROPOULOS**

Chair of the Board of Directors, President,  
and Chief Executive Officer



**“In 2022, Merit completed the second year of a three-year Foundations for Growth (FFG) program. The FFG program has helped us strengthen the foundational capabilities of our business. This includes expanding our ability to scale, improving profitability, delivering top-line growth, and innovating in the marketplace.”**

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**Purpose of these materials:**

On behalf of our Board of Directors, we are making these materials available to you in connection with our solicitation of proxies for our Annual Meeting. You are receiving this communication because you hold shares of Merit's stock.

**What we need from you:**

Please read these materials and submit your vote and proxy by telephone, Internet or, if you received your materials by mail, by completing and returning your proxy card. We ask that you vote in advance as soon as practicable.

**More information:**

The Notice, this Proxy Statement and the accompanying form of proxy are first being mailed or made available to our shareholders on or about April 7, 2023.

This Proxy Statement and the Company's Annual Report on Form 10-K for the year ended December 31, 2022 ([Annual Report](#)) are available online at: **[www.proxyvote.com](http://www.proxyvote.com)**.

You may also request a paper copy of the Annual Report, including the related financial statements and schedules, free of charge, by writing to the Corporate Secretary at the address below (principal executive offices of the company):

**Merit Medical Systems, Inc.  
Attn: Corporate Secretary  
1600 West Merit Parkway  
South Jordan, UT 84095**

# NOTICE OF 2023 ANNUAL MEETING OF SHAREHOLDERS



## Date and Time



**May 18, 2023**  
2:00 p.m.  
Mountain Daylight Time

## Access



**Webcast**  
[www.virtualshareholdermeeting.com](http://www.virtualshareholdermeeting.com) Only shareholders of record on the Record Date may vote  
/MMSI2023

## Record Date



**March 21, 2023**  
Only shareholders of record on the Record Date may vote

## Items of Business

Proposals	Board's Recommendation	More Information
<b>1</b> Elect three directors, each to serve until 2026	<b>FOR each nominee</b>	Page 5
<b>2</b> Non-binding, advisory vote to approve named executive officer compensation ("Say on Pay")	<b>FOR</b>	Page 58
<b>3</b> Non-binding, advisory vote on the frequency of votes on executive compensation	<b>ONE YEAR</b>	Page 71
<b>4</b> Ratify appointment of Deloitte & Touche LLP as our independent registered public accounting firm	<b>FOR</b>	Page 73

Your Vote is important to our future. We strongly encourage you to read the Proxy Statement and then promptly vote your shares as instructed herein.

Shareholders can vote via the Internet, by telephone or by mail. Specific instructions on how to vote are included in the Notice of Internet Availability of Proxy Materials that we will mail to our shareholders on or about April 7, 2023. Shareholders will also be able to vote electronically during the webcast of the 2023 Annual Meeting.

Phone and Internet voting will close at 11:59 p.m. EDT on May 17, 2023, but voting by Internet will open again during the meeting. Voting instructions for shares held in the Company's 401(k) Profit Sharing Plan must be received by 11:59 p.m. EDT on May 15, 2023 and such shares may not be voted during the meeting. Holders in "street name" must instruct their broker or nominee.

By Order of the Board of Directors,

Brian G. Lloyd  
Chief Legal Officer and Corporate Secretary  
April 4, 2023

### IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON MAY 18, 2023

The Company's Notice, Proxy Statement and Annual Report are available at: [www.proxyvote.com](http://www.proxyvote.com).

PROXY STATEMENT SUMMARY

# PROXY STATEMENT SUMMARY

This Proxy Statement is provided in connection with the solicitation of proxies by the Board of Directors of Merit Medical Systems, Inc. ([Board](#) or [Board of Directors](#)) for the Annual Meeting of Shareholders to be held on May 18, 2023, at 2:00 p.m. Mountain Time ([Annual Meeting](#) or [2023 Annual Meeting](#)). In this Proxy Statement, we may refer to Merit Medical Systems, Inc. as the [Company](#), [Merit](#), [we](#), [us](#), or [our](#). The following summary highlights information contained elsewhere in this Proxy Statement. Before Voting, please review the entire Proxy Statement and the Annual Report.

## Voting Roadmap

Even if you attend the Annual Meeting, you can vote in advance using a method below.



Before the meeting go to:  
[www.proxyvote.com](http://www.proxyvote.com)  
During the meeting go to:  
[www.virtualshareholdermeeting.com/MMSI2023](http://www.virtualshareholdermeeting.com/MMSI2023).



Call 1-800-690-6903  
(U.S. and Canada)



(cast your ballot,  
sign proxy card and  
post)

Phone and Internet voting will close at 11:59 P.M. Eastern Time on May 17, 2023 but voting by Internet will open again during the meeting (see below). Voting instructions for shares held in the Company's 401(k) Profit Sharing Plan must be received by 11:59 P.M. Eastern Time on May 15, 2023 and such shares may not be voted during the meeting. Holders in "street name" must instruct their broker or nominee.

### PROPOSAL 1: Election of Three Nominees for Director (See page 5)

The Board of Directors recommends that you vote FOR each director nominee. These individuals bring a range of relevant experiences and overall diversity of perspectives that is essential to good governance and leadership of our company.

The Board recommends a  
**Vote FOR each nominee**



### PROPOSAL 2: Advisory Vote on Executive Compensation (Say-On-Pay) (See page 58)

The Board of Directors recommends that you vote FOR this "Say-on-Pay" advisory proposal because our compensation program attracts top talent commensurate with our peers and reinforces our "Pay for Performance" philosophy.

The Board recommends a  
**Vote FOR this proposal**



### PROPOSAL 3: Advisory Vote on the Frequency of Votes on Executive Compensation (See page 71)

The Board of Directors recommends that you vote for one-year intervals with respect to the non-binding resolution to recommend the frequency of future non-binding votes of the Company's shareholders regarding the compensation of the Company's named executive officers.

The Board recommends a  
**Vote for ONE YEAR**



### PROPOSAL 4: Ratify Appointment of Independent Registered Public Accounting Firm (See page 73)

We have selected Deloitte & Touche LLP ([Deloitte](#)) to serve as our independent registered public accounting firm for the year ending December 31, 2023 because Deloitte is an independent firm with reasonable fees and has significant industry and financial reporting expertise.

The Board recommends a  
**Vote FOR this proposal**



## A Snapshot of Our Board of Directors

The following table provides summary information about each director nominee (first three), as well as each director whose term of office will continue after the Annual Meeting.

Name, Primary Occupation	Age	Director Since	Term Expires	Independent	Board Committees				
					A	C	F	ESG	O
<b>LONNY J. CARPENTER</b> Former Group President, Stryker Corporation	61	2020	2023 <sup>(1)</sup>	Yes		•	•		<input type="checkbox"/>
<b>DAVID K. FLOYD</b> Former Group President, Stryker Corporation	62	2020	2023 <sup>(1)</sup>	Yes				•	•
<b>LYNNE N. WARD</b> Former Executive Director of my529 (formerly Utah Educational Savings Plan)	64	2019	2024 <sup>(2)</sup>	Yes	<input type="checkbox"/>		•	•	
<b>F. ANN MILLNER, ED.D.</b> Regents Professor of Health Administrative Services at Weber State Univ.	71	2015	2025	Yes		•			<input type="checkbox"/>
<b>THOMAS J. GUNDERSON</b> Retired Medtech Analyst at Piper Jaffray	72	2017	2025	Yes	•			<input type="checkbox"/>	
<b>LAURA S. KAISER</b> President & CEO of SSM Health	62	2022	2025	Yes				•	•
<b>MICHAEL R. MCDONNELL</b> Chief Financial Officer of Biogen, Inc.	59	2022	2025	Yes	•		•		
<b>FRED P. LAMPROPOULOS</b> Chair, President & CEO of Merit	73	1987	2024	No					•
<b>A. SCOTT ANDERSON</b> President & CEO of Zions Bank	76	2011	2024	Yes		<input type="checkbox"/>		•	
<b>STEPHEN C. EVANS</b> Founder, Chairman & CEO of Flag Bridge Global Solutions, LLC; Rear Admiral (Ret.) and Former Special Advisor to the Commander, U.S. Navy	58	2021	2024	Yes	•	•			

: Committee Chair      A: Audit Committee      F: Finance Committee      O: Operating Committee  
 •: Committee Member      C: Compensation and Talent Development Committee      ESG: Environmental, Social and Governance Committee

- (1) If elected at the Annual Meeting, Messrs. Carpenter and Floyd would serve terms expiring in 2026.
- (2) If elected at the Annual Meeting, Ms. Ward would serve a term expiring in 2026. If not elected, Ms. Ward will continue her current term expiring in 2024.

PROXY STATEMENT SUMMARY

## Selected 2022 Highlights

<b>Revenue</b> <b>\$1.151 billion</b>	<b>Operating Cash Flow</b> <b>\$114 million</b>	<b>5-Year TSR <sup>(1)</sup></b> <b>63%</b>
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(1) Reflects five-year cumulative total return of our Common Stock, as reported on the Nasdaq Global Select Market System ([Nasdaq](#)) for the period from December 31, 2017 to December 31, 2022. Past results are not necessarily an indicator of future results.

<b>Environment</b> Prioritized reduction of environmental footprint by continuing to implement programs to reduce waste, conserve resources and improve the areas where we do business	<b>Foundations for Growth</b> Continued and expanded Company-wide initiatives through our Foundations for Growth program to reduce operating expenses and increase profitability
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## Compensation Highlights

Consistent with our strong interest in shareholder engagement and our pay-for-performance approach, the Compensation and Talent Development Committee of our Board ([Compensation Committee](#)) has continued to refine our executive compensation program to encourage alignment between the interests of our executives and shareholders. Shareholders have shown strong support for our executive compensation program, with 95% of shareholders represented at our 2022 annual meeting voting in favor of it.



## We pay for performance



The Merit Medical Systems, Inc. 2018 Long-Term Incentive Plan, as amended ([2018 Incentive Plan](#)), provides for the issuance of up to 6,100,000 shares of our Common Stock. Awards granted under the 2018 Incentive Plan generally have minimum vesting periods of not less than one year.

During 2020, we began a program of awarding performance-based restricted stock units under the provisions of the 2018 Incentive Plan, which ties a significant portion of executive equity compensation to the achievement of operating cash flow metrics, adjusted for the performance of our stock relative to the Russell 2000 market index. These performance-based restricted stock units generally have a three-year performance period.

We ask that our shareholders approve, on an advisory basis, the compensation of our Named Executive Officers ([NEOs](#)). For additional information regarding our executive compensation practices, see "Compensation Discussion and Analysis" in this Proxy Statement.



## CORPORATE GOVERNANCE AND RELATED MATTERS



### Governance Highlights

The Board believes good governance is integral to achieving long-term value and is committed to governance policies and practices that benefit the Company and our shareholders. This belief is manifest in:

- Added incremental financial, accounting and industry experience and skills to the Board
- Increased the number of independent directors on the Board
- Enhanced oversight of sustainable business practices
- Continued and refined an executive compensation program, including long-term performance stock units and cash bonuses, designed to align executive compensation with Company performance
- Increased focus on oversight of enterprise risk management, led by the Operating Committee of the Board ([Operating Committee](#))
- Strong and active lead independent director
- Majority voting for all directors
- With the assistance of an independent external advisor, the Board conducted a comprehensive evaluation to assess the effectiveness of the Board and its committees and members
- Regular executive sessions of independent directors
- Robust code of ethics
- No shareholder rights plan (“poison pill”) or dual class capitalization structure
- Annual “say-on-pay” advisory votes

### PROPOSAL 1: Election of Three Nominees for Director

The Board of Directors recommends that you vote FOR all three director nominees. These individuals bring a range of relevant experiences and overall diversity of perspectives that is essential to good governance and leadership of our company.

The Board recommends a  
**Vote FOR all nominees**



At the Annual Meeting, shareholders will be asked to consider the nominations of three directors to serve until our 2026 Annual Meeting of Shareholders and until their successors are duly elected and qualified. If any of the below nominees becomes unavailable to serve, proxies solicited by this Proxy Statement will be voted for other persons designated by the Board in their stead.

#### Classification of Board of Directors

Our Amended and Restated Articles of Incorporation ([Articles of Incorporation](#)) provide for a classified, or “staggered,” board of directors. Our Board is divided into three classes, with directors in each class serving a three-year term. Our Third Amended and Restated Bylaws ([Bylaws](#)) provide that the number of directors serving in each class shall be as nearly equal in size as possible. Accordingly, approximately one-third of our directors’ terms expire at each annual meeting of shareholders. Based upon the existing classification of the Board, the terms of Lonny J. Carpenter, James T. Hogan and David K. Floyd are scheduled to expire in connection with our Annual Meeting. Mr. Hogan will leave the Board as his term expires with our Annual Meeting. The Board has nominated Lonny J. Carpenter and David K. Floyd for election at the Annual Meeting to serve new three-year terms. Because Mr. Hogan’s departure would cause an imbalance between the number of directors in each class, the Board has also nominated Lynne N. Ward for election at the Annual Meeting to serve a new three-year term to more evenly balance the number of directors serving in each class. If Ms. Ward is elected at the Annual Meeting, there will be three or four directors in each class. If Ms. Ward is not elected to serve a new term at the Annual Meeting, she will continue her current term (ending in 2024) and there may be two, three or four directors serving in each class.

## CORPORATE GOVERNANCE AND RELATED MATTERS

### **Size of the Board of Directors**

The Board currently consists of eleven directors. Our Bylaws permit the Board to set the number of directors to a number not less than three and not more than eleven. In anticipation of the Annual Meeting and the expiration of Mr. Hogan's term of service as a director, the Environmental, Social and Governance Committee of the Board ([ESG Committee](#)) recommended, and the Board unanimously adopted, a resolution decreasing the number of directors serving on the Board to ten following the Annual Meeting.

### **Nominees for Election as Directors**

Our Board and the ESG Committee believe that each of the following nominees possesses the experience and qualifications that directors of the Company should possess, as described in detail below, and that the experience and qualifications of each nominee complement the experience and qualifications of the other directors of the Company.

The experience and qualifications of each nominee, including information regarding the specific experience, qualifications, attributes and skills that led the Board and the ESG Committee to conclude that she or he should be nominated to serve as a director of the Company, in light of our business and structure, are set forth below:

#### **LONNY J. CARPENTER**

**Independent Director**

**Age:** 61  
**Director Since:** June 2020  
**Committees:** Operating (Chair), Compensation, Finance  
**Other Public Boards:** Novanta Inc.  
**Education:** B.S., United States Military Academy at West Point  
**Term Expires:** 2023



#### **DAVID K. FLOYD**

**Independent Director**

**Age:** 62  
**Director Since:** June 2020  
**Committees:** ESG, Operating  
**Other Public Boards:** None  
**Education:** B.S., Grace College  
**Term Expires:** 2023



#### **Career Highlights**

- Member of the Board of Directors (Lead Independent Director) of Novanta Inc., a manufacturer of precision photonic and motion control components and subsystems, 2018 to present
- Member of the Board of Directors of Orchid Orthopedics Solutions (a privately-owned orthopedic medical device outsourcing company), 2019 to present
- Member of the Board of Directors of The Boler Company, (a privately-owned auto part manufacturing company), 2019 to present
- Group President, Global Quality and Business Operations of Stryker Corporation ([Stryker](#)), 2016 to 2019
- Group President, Global Quality and Operations of Stryker, 2011 to 2016
- President, Instruments and Medical Division of Stryker, 2006 to 2008
- Captain in the U.S. Army and helicopter pilot having served in leadership roles for the 101st Airborne Division

#### **Qualifications of Particular Relevance to Merit**

The Board believes Mr. Carpenter's broad business background and experience in setting enterprise-wide direction, experience in quality, manufacturing, procurement and logistics strategies from his tenure at Stryker provide the Board with practical, real-world knowledge and guidance and have strengthened the Company's efficiency and cost-reduction initiatives. Mr. Carpenter's business background and experience have been particularly beneficial to the Company in the course of his leadership of the Operating Committee and the development of our Foundations for Growth program.

#### **Career Highlights**

- Chair, Corin Group LTD, a privately-held global technology orthopaedic company, 2020 to present
- Member of the Board of Directors of Health Outcomes Performance Company (a privately-owned company focused on transforming the patient care experience and improving the practice of medicine), 2020 to present
- Advisor to Bain & Company (a private global management consulting services firm), 2019 to present
- Group President, Orthopaedics, Stryker, 2012 to 2019
- U.S. President and Worldwide President of Johnson & Johnson's DePuy Orthopaedics, 2007 to 2011

#### **Qualifications of Particular Relevance to Merit**

Mr. Floyd possesses more than 35 years of experience as a leader in the life sciences industry, including serving as president and CEO within several leading medical technology companies. Additionally, the Board believes Mr. Floyd's nearly 20 years of general management experience provides the Board with expertise on a broad range of matters, including mergers and acquisitions, global business and operations, corporate governance and product commercialization. The Board believes Mr. Floyd's industry and management experience have been particularly beneficial through his service on the Operating Committee and his guidance in the Company's development of its Foundations for Growth program.

## LYNNE N. WARD

Independent Director

Age: 64

Director Since: August 2019

Committees: Audit (Chair), Finance; ESG

Other Public Boards: None

Education: B.S. University of Utah (Accounting)

Term Expires: 2024



### Career Highlights

- Executive Director of my529 (formerly known as the Utah Educational Savings Plan), offering municipal fund securities, 2004 to 2019. Underlying investments were with Vanguard, Dimensional, PIMCO, Sallie Mae Bank and U.S. Bank.
- Member of the University of Utah's Investment Advisory Committee, 2018 to present
- Member of the Board of Directors of the Blue Healthcare Bank, 2007 to 2009
- Member of the Board of Directors of Stampin' Up!, 2010 to 2016
- Director of the National Association of Corporate Directors (Utah Chapter), 2017 to present
- Walker Institute at Weber State University board of directors, 2012 to present
- Senior leader and advisor to Utah governors Olene S. Walker and Michael O. Leavitt
- Senior leader for Utah state government's central accounting office and Utah State Auditor's Office
- Certified public accountant

### Qualifications of Particular Relevance to Merit

Ms. Ward demonstrated her diverse skills by creating and leading my529's rapid growth of \$950 million to \$14 billion assets under management. The Board believes her high standards, strategic foresight and business development fueled that growth. Her cost management, and investment and marketing innovations of a highly regulated product led to year-over-year Gold ratings from Morningstar. The Board believes Ms. Ward has strong career experience, including financial oversight capabilities and leadership of a rapidly growing organization. The Board believes her contributions strengthen the Company's strategic direction while encouraging operational excellence. The Board also recognizes the valuable perspective and significant service Ms. Ward provides to the Company as Chair of the Audit Committee.

Ms. Ward's current term of service as a director does not expire until 2024. However, considering the expiration of Mr. Hogan's term of service at the Annual Meeting, the Board has nominated Ms. Ward for election to a new three-year term to more evenly balance the number of directors in each class of the Board. If Ms. Ward is elected to serve a new term at the Annual Meeting, she will begin a new three-year term expiring in 2026. If Ms. Ward is not elected to serve a new term at the Annual Meeting, she will continue to serve her current term ending in 2024.

CORPORATE GOVERNANCE AND RELATED MATTERS

## Directors Whose Terms of Office Continue

In its regular discussions regarding Board composition, our ESG Committee works with the Board to determine the appropriate mix of professional experience, areas of expertise, educational background and other qualifications that are particularly desirable for our directors to possess in light of our current and future business strategies.

The Board believes that its current members have the right combination of experience and qualifications to continue to lead the Company to success. Information regarding the specific experience, qualifications, attributes and skills that led the Board and the ESG Committee to conclude that each continuing director should serve on the Board are set forth below:

### FRED P. LAMPROPOULOS

Chair, President,  
Chief Executive Officer

Age: 73  
Director Since: July 1987  
Committees: Operating  
Other Public Boards: None  
Term Expires: 2024



### A. SCOTT ANDERSON

Independent Director

Age: 76  
Director Since: November 2011  
Committees: Compensation (Chair), ESG  
Other Public Boards: None  
Education: B.A. (philosophy, economics), Columbia University; M.S. (economics, international studies), Johns Hopkins University  
Term Expires: 2024



#### Career Highlights

- Chair of the Board, Chief Executive Officer (CEO) and President of the Company since its formation in 1987
- Chair of the Board and President of Utah Medical Products, Inc. (medical device manufacturer), 1983 to 1987
- Filed more than 300 domestic and international patents and applications on medical devices
- Serves on multiple community and advisory boards
- Recipient of numerous community and industry awards, including the 2019 Salt Lake Chamber of Commerce "Giant in our City" and 2003 and 2018 Utah Governor's Medal for Science and Technology

#### Qualifications of Particular Relevance to Merit

The Board believes the Company benefits immensely from Mr. Lampropoulos' experience as founder, President and CEO. He plays an essential role in communicating the expectations, advice, concerns and encouragement of the Board to our employees. Mr. Lampropoulos has a deep knowledge and understanding of the Company, as well as the industry and markets in which our products compete. Mr. Lampropoulos also performs an essential function as the Chair of the Board, providing decisive leadership and direction to the activities and deliberations of the Board. The Board also believes Mr. Lampropoulos' leadership, drive and determination are significant factors in our growth and development and continue to be tremendous assets to the Company and its shareholders.

#### Career Highlights

- President and CEO of Zions First National Bank (145-year old commercial bank based in the Intermountain West U.S.), 1990 to present
- Chair Emeritus of the American Bankers Association, 2022 to present (Chair, 2021-2022)
- Member of Board of Trustees of Intermountain Healthcare (integrated multi-state healthcare system), 2005 to present (Chair, 2012 to 2018)
- Director of the Federal Reserve Bank of San Francisco (Salt Lake City Branch), 2003 to 2008

#### Qualifications of Particular Relevance to Merit

Mr. Anderson contributes to the Board's deliberations more than 40 years of experience in the banking and financial services industries. The Board believes Mr. Anderson provides insight regarding national and international financial and credit markets, as well as lending practices, which are valuable as we continue to implement our growth strategy. Mr. Anderson also contributes extensive business and corporate governance experience to the strategic planning and operational discussions of the Board. Mr. Anderson's business and corporate governance experience have been instrumental in the deliberations of the Compensation Committee, which he chairs, the refinement of our executive compensation practices and the enhancement of our human resource and talent development efforts.

**LYNNE N. WARD**

Independent Director

**Age:** 64  
**Director Since:** August 2019  
**Committees:** Audit (Chair), Finance; ESG  
**Other Public Boards:** None  
**Education:** B.S. University of Utah (Accounting)  
**Term Expires:** 2024



**REAR ADMIRAL (RET.) STEPHEN C. EVANS**

Independent Director

**Age:** 58  
**Director Since:** June 2021  
**Committees:** Audit, Compensation  
**Other Public Boards:** Alarm.com Holdings, Inc.  
**Education:** M.A., U.S. Naval War College (National Security Affairs); B.A., The Citadel  
**Term Expires:** 2024



**Career Highlights**

- Executive Director of my529 (formerly known as the Utah Educational Savings Plan), offering municipal fund securities, 2004 to 2019. Underlying investments were with Vanguard, Dimensional, PIMCO, Sallie Mae Bank and U.S. Bank.
- Member of the University of Utah's Investment Advisory Committee, 2018 to present
- Member of the Board of Directors of the Blue Healthcare Bank, 2007 to 2009
- Member of the Board of Directors of Stampin' Up!, 2010 to 2016
- Director of the National Association of Corporate Directors (Utah Chapter), 2017 to present
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- Senior leader for Utah state government's central accounting office and Utah State Auditor's Office
- Certified public accountant

**Qualifications of Particular Relevance to Merit**

Ms. Ward demonstrated her diverse skills by creating and leading my529's rapid growth of \$950 million to \$14 billion assets under management. The Board believes her high standards, strategic foresight and business development fueled that growth. Her cost management, and investment and marketing innovations of a highly regulated product led to year-over-year Gold ratings from Morningstar. The Board believes Ms. Ward has strong career experience, including financial oversight capabilities and leadership of a rapidly growing organization. The Board believes her contributions strengthen the Company's strategic direction while encouraging operational excellence. The Board also recognizes the valuable perspective and significant service Ms. Ward provides to the Company as Chair of the Audit Committee.

Ms. Ward's current term of service as a director does not expire until 2024. However, considering the expiration of Mr. Hogan's term of service at the Annual Meeting, the Board has nominated Ms. Ward for election to a new three-year term to more evenly balance the number of directors in each class of the Board. If Ms. Ward is elected to serve a new term at the Annual Meeting, she will begin a new three-year term expiring in 2026. If Ms. Ward is not elected to serve a new term at the Annual Meeting, she will continue to serve her current term ending in 2024.

**Career Highlights**

- Served in the United States Navy, most recently as Special Advisor to the Commander, Naval Operations, before retiring in 2020. During more than 20 years of service in the United States Navy, Admiral Evans held a variety of leadership positions, including Senior Advisor, Deputy U.S. Military, NATO Military Committee; Commander, George H. W. Bush Carrier Strike Group; and Commander, Naval Service Training Command
- Served on diplomatic missions in over 64 countries, delivering results in international diplomacy and military relations to establish enduring, productive global partnerships
- Commanded U.S. naval forces in six operational theaters
- Served in a senior strategic advisory role to the 75th Secretary of the Navy
- Represented the U.S. in deliberations and actions of NATO, providing counsel to Heads of State in Europe and around the world

**Qualifications of Particular Relevance to Merit**

Admiral Evans possesses extensive experience in handling complex, international relationships. His prior leadership experiences, particularly within the last two decades, involved extensive cybersecurity oversight, and he has broad experience in anticipating and identifying cyber risks and digital vulnerabilities. Admiral Evans' cybersecurity experience is of particular importance to the Company as we seek to secure our information technology and build secure and effective information systems and to assess and mitigate potential cybersecurity risk. Admiral Evans has extensive insight on geo-political matters, and the Board believes that together with his experience in handling global partnerships, he can provide valuable counsel to the Company as it seeks to expand its operations and sales efforts across the globe.

## CORPORATE GOVERNANCE AND RELATED MATTERS

### LAURA S. KAISER

Independent Director

Age: 62

Director Since: May 2022

Committees: ESG,  
Operating

Other Public Boards: None

Education: B.S. (health sciences management), University of Missouri; M.B.A., Saint Louis University; Masters of Health Administration, Saint Louis University

Term Expires: 2025



### MICHAEL R. MCDONNELL

Independent Director

Age: 59

Director Since: May 2022

Committees: Audit, Finance  
Other Public Boards: None

Education: B.S. (accounting), Georgetown University

Term Expires: 2025



#### Career Highlights

- President and Chief Executive Officer of SSM Health, an integrated multi-state health system with more than 40,000 employees and 23 hospitals, 2017 to present
- Chairperson of Catholic Health Association of the United States, representing more than 600 hospitals and 1,600 long-term care and other health facilities in all 50 states, 2018 to present
- Director and Vice Chair, Enterprise Strategy Committee for Joint Commission Resources, an international accrediting and consulting organization, 2021 to present
- Served on the Board of Directors for Nuance Communications, a multinational computer technology company acquired by Microsoft Corp., 2017-2022
- Previously served as the Chief Operating Officer of Intermountain Healthcare, an integrated multi-state health system with 24 hospitals
- Named one of the "100 Most Influential People in Healthcare" by Modern Healthcare for the past five years

#### Qualifications of Particular Relevance to Merit

Ms. Kaiser is a seasoned executive with more than 35 years of experience in the healthcare industry. The Board believes her senior leadership experience in healthcare and her consistent delivery of operational results, strategic expertise, market growth and innovative partnerships with organizations such as Stanford University, United Health Group/Optum and Costco, enable her to provide valuable industry and organizational perspective to the Board and the Company's management team. The Board also believes Ms. Kaiser's deep industry experience allows her to provide insight regarding merger and acquisition opportunities and transactions, regulatory initiatives and compliance, and governmental policies.

#### Career Highlights

- Chief Financial Officer of Biogen Inc, a multinational Nasdaq-listed company engaged in discovering, developing, and delivering therapies for people living with serious and complex diseases, 2020 to present
- Executive Vice President and Chief Financial Officer of IQVIA Holdings Inc., a global provider of advanced analytics, technology solutions and contract research services to the life sciences industry, 2015 to 2020
- Executive Vice President and Chief Financial Officer of Intelsat, a global provider of satellite services, 2008-2015
- Chief Operating Officer (2006-2008) and Chief Financial Officer (2004-2008) of MCG Capital Corporation, a publicly-held commercial finance company, 2004 to 2008
- Chief Financial Officer of EchoStar Communications Corporation (dba Dish Network), a satellite television provider, 2000 to 2004
- Partner of PricewaterhouseCoopers, LLP, 1996 to 2000, other positions, PricewaterhouseCoopers, LLP, 1986-1996
- Director of Catalyst Health Solutions, Inc., a publicly held pharmacy benefits management company, 2005 to 2012
- Certified public accountant

#### Qualifications of Particular Relevance to Merit

Mr. McDonnell is a financial executive with more than 35 years of experience providing financial and accounting advice and oversight to life science and technology companies. The Board believes Mr. McDonnell's depth of understanding of financial management, accounting principles and practices, capital markets and financing transactions strengthen the Board's oversight of the Company's finance and accounting policies, procedures and practices. The Board also believes Mr. McDonnell's industry experience enables him to contribute to the Board's evaluation and oversight of merger and acquisition and capital funding transactions, as well as the Company's investor relations and shareholder outreach efforts.

**F. ANN MILLNER,  
Ed.D.**

**Lead Independent Director**

**Age:** 71

**Director Since:** July 2015

**Committees:** ESG (Chair),  
Compensation

**Other Public Boards:** None

**Education:** B.S. (education),  
University of Tennessee; M.S.  
(allied health education and  
management), Southwest  
Texas State University; Ed.D  
(education administration),  
Brigham Young University;  
Completed medical  
technology program,  
Vanderbilt University

**Term Expires:** 2025



**THOMAS J.  
GUNDERSON**

**Independent Director**

**Age:** 72

**Director Since:** May 2017

**Committees:** Finance  
(Chair), Audit

**Other Public Boards:**

TransMedics Group, Inc.  
**Education:** B.A. (biology  
focus), Carleton College; M.S.  
(cell biology), University of  
Minnesota; M.B.A., University  
of St. Thomas

**Term Expires:** 2025



**Career Highlights**

- Regents Professor and Professor of Health Administrative Services at Weber State University, 2013 to present
- Member of the Utah State Senate (member of multiple committees and subcommittees), 2015 to present
- Member of Utah Governor's Task Force on Educational Excellence, 2015 to present
- Member of Board of Trustees of Intermountain Healthcare (integrated multi-state health system), 2005 to present (serving as Vice Chair, 2017 to present)
- President of Weber State University, 2002 to 2012 (first female president of a Utah state university)
- Vice President of University Relations at Weber State University, 1993 to 2002
- Associate Dean of Continuing Education and Assistant Vice President of Community Partnerships at Weber State University, 1985 to 1993

**Qualifications of Particular Relevance to Merit**

The Board believes Dr. Millner's qualifications to serve as a director of the Company include her executive leadership skills and her experience in the areas of organizational administration, operations and financial management, and business strategy. Those skills and experience have been particularly valuable to the Company in the course of Dr. Millner's service as Lead Independent Director and Chair of our ESG Committee. During her service, Dr. Millner has played a significant role in the development of our corporate governance practices and engagement with our shareholders.

**Career Highlights**

- Member of the Board of Directors of TransMedics Group, Inc., a medical technology company focused on developing organ transplant therapy for end-stage organ failure patients, 2019 to present
- Immediate Past Chair, of the Board of Directors of the Minneapolis Heart Institute Foundation, (Director from 2011 to present; Chair from 2015 to 2020)
- Executive in Residence at the University of Minnesota's Medical Industry Leadership Institute, 2016 to present
- Member of American Heart Association Science and Technology Accelerator Committee, 2015 to 2017
- Managing Director and senior research analyst at Piper Jaffray (focus on medical technology companies), 1992 to 2016
- Project Director at American Medical Systems (private medical device company acquired by Pfizer in 1983), 1979 to 1992
- Recognized by several industry publications, including the Wall Street Journal, Institutional Investor, First Call, Thomson Reuters, and Medical Device and Diagnostic Industry (e.g., in 1996 and 2000, he was named an All-Star Analyst for medical stocks by the Wall Street Journal and in 2014, Thomson-Reuters named him "Top Stock Picker" in the medical technology sector)

**Qualifications of Particular Relevance to Merit**

Mr. Gunderson provides the Board with more than 25 years of substantive experience in the medical device industry, with a seasoned perspective on the challenges, trends and opportunities of publicly-traded medical device manufacturers, as well as a keen understanding of the Company's competitive position within its industry. Mr. Gunderson also contributes a strong background in financial and economic analysis and valuable insights regarding business development and acquisition opportunities. Mr. Gunderson's financial background and industry experience have been beneficial in his service as the Chair of the Finance Committee of the Board ([Finance Committee](#)).

CORPORATE GOVERNANCE AND RELATED MATTERS

## Director Whose Term of Office Does Not Continue

### JAMES T. HOGAN

Independent Director

Age: 66

Director Since: June 2020

Committees: Audit, Compensation, Operating

Other Public Boards: Prolung, Inc.

Education: B.A., University of Minnesota; MBA, University of Minnesota

Term Expires: 2023



#### Career Highlights

- Member of the Board of Directors of Prolung, Inc., a medical technology company specializing in predictive analytics technology, 2019 to present
- Member of the Board of Directors of Xenocor, Inc. (a privately-owned medical device company), 2019 to present
- President, of Latin America at Medtronic Inc., now Medtronic plc, 2007 to 2016
- Director of Gastroenterology and Urology Division for Western Europe at Medtronic Inc., 2005 to 2007
- Director of Sales and Marketing for Europe, the Middle East and Africa at Pfizer Inc.'s American Medical Systems Division, 1991 to 1993

#### Service to Merit

The Board believes Mr. Hogan's extensive experience in sales, marketing and medical support activities in a large medical device company, combined with his international experience, having lived and worked in England, Switzerland, France, Israel and Holland, have provided significant benefits to the Company. Additionally, the Board believes Mr. Hogan's background in medical device start-ups, having started three medical device companies in the cardiology, urology and vascular fields, all of which were purchased by larger medical device companies, has provided the Board with knowledge and experience with branding, innovating and dealing with ongoing challenges facing the medical device industry. Mr. Hogan has also provided valuable insight and guidance to the Board through his service on the Operating Committee and his contributions to the oversight of the development and implementation of the Foundations for Growth program.

Mr. Hogan's term as a director will expire at the Annual Meeting and the Board did not nominate him for re-election as a director. Accordingly, Mr. Hogan's service as a director will expire at the Annual Meeting.



## **Our Board of Directors**

Our business affairs are managed subject to the oversight of the Board, which represents and is accountable to the shareholders of the Company. The Board advises and oversees management, which is responsible for the day-to-day operations of the Company. The primary mission of the Board is to represent and protect the interests of our shareholders. As a result, the basic responsibility of our directors is to act in good faith and with due care so as to exercise their business judgment on an informed basis in what they reasonably and honestly believe to be in the best interests of the Company and its shareholders. The Board reviews and assesses our strategic, competitive and financial performance.

### **Board Structure**

#### ***Chair of the Board***

The Chair of the Board provides leadership to the Board and works with it to define its structure, agenda and activities in order to fulfill its responsibilities. The Chair works with senior management to help ensure that matters for which management is responsible are appropriately reported to the Board.

Fred P. Lampropoulos currently serves as the Chair of the Board, CEO and President of the Company. The Board and ESG Committee believe that the traditional practice of combining the roles of chair of the board and chief executive officer currently provides the preferred form of leadership for the Company. Given Mr. Lampropoulos' vast experience since founding the Company in 1987, his role as an inventor and his involvement in filing of more than 300 patents and pending applications, the respect which he has earned from our employees, business partners and shareholders, and his proven leadership skills, the Board believes Mr. Lampropoulos' continued service in both capacities serves the best interests of our shareholders. Further, the Board believes Mr. Lampropoulos' fulfillment of both responsibilities encourages accountability and effective decision-making and provides strong leadership for employees and other stakeholders.

#### ***Independent Directors***

Under our Corporate Governance Guidelines ([Governance Guidelines](#)), a majority of our directors should be independent directors who meet the director independence guidelines set forth in the Nasdaq Marketplace Rules. Among other things, each independent director should be free of significant business connections with competitors, suppliers, or customers of the Company.

In 2022, the ESG Committee undertook its annual review of director and nominee independence and recommended that the Board determine that Mr. Anderson, Mr. Carpenter, Admiral Evans, Mr. Floyd, Mr. Gunderson, Mr. Hogan, Ms. Kaiser, Mr. McDonnell, Dr. Millner, and Ms. Ward each be designated as an independent director. Mr. Lampropoulos is not considered independent because of his employment as President and CEO of the Company.

## CORPORATE GOVERNANCE AND RELATED MATTERS

### **Lead Independent Director**

Since July 2021, Dr. Millner has served as the Lead Independent Director. The position of Lead Independent Director comes with clearly delineated and comprehensive duties, as set out in our Governance Guidelines. These duties include:

<b>Board meetings and executive sessions</b>	<ul style="list-style-type: none"><li>• Authority to call meetings of the independent directors</li><li>• Presides at all meetings of the Board at which the Chair is not present, including executive sessions of the independent directors</li></ul>
<b>Communicating with management</b>	<ul style="list-style-type: none"><li>• Serves as principal liaison between the Chair and the independent directors</li></ul>
<b>Agendas</b>	<ul style="list-style-type: none"><li>• Contributes to the development of and approves meeting agendas for the Board and information sent to the Board by the Chair, including supporting materials</li></ul>
<b>Meeting Schedules</b>	<ul style="list-style-type: none"><li>• Approves meeting schedules for the Board and its committees to facilitate sufficient time for discussion of all agenda items</li></ul>
<b>Communicating with Shareholders</b>	<ul style="list-style-type: none"><li>• Ensures availability for consultation and direct communication with major shareholders of the Company upon reasonable request</li></ul>

Our independent directors regularly meet in executive session without the Chair present, at least once each quarter. During these sessions, independent directors discuss topics such as executive (including the CEO) succession planning, corporate governance, business strategy and Board responsibilities.

### **Composition and Selection of Board Members**

The ESG Committee is responsible for reviewing annually with the Board the desired skills and characteristics of directors, as well as the composition of the Board as a whole. Directors should be individuals who have succeeded in their particular field and who demonstrate integrity, reliability, knowledge of corporate affairs, and an ability to work well together. Directors should have:

- demonstrated management ability at senior levels in successful organizations;
- current or recent employment in positions of significant responsibility and decision-making;
- expertise in the medical device industry, medical profession or related areas of training; or
- current and prior experience related to anticipated Board and committee responsibilities in other areas of importance to the Company.

The ESG Committee reviews the skills and characteristics required of directors in the context of the current composition of the Board. There is currently no set of specific minimum qualifications that must be met by a nominee recommended by the ESG Committee, as different factors may assume greater or lesser significance at particular times and the needs of the Board may vary in light of its composition and the ESG Committee's perceptions about future issues and needs. Additionally, in considering the composition of the Board and identifying nominees, the ESG Committee does not have a formal policy regarding the consideration of gender, race, sexual preference, religion and other traits typically associated with the term "diversity."

However, the ESG Committee considers it important that the Board be composed of directors with a broad range of experience, areas of expertise and skills and considers several factors, including a candidate's:

- age;
- skills;

- integrity and moral responsibility;
- policy-making experience;
- ability to work constructively with our management and other directors;
- diversity;
- capacity to evaluate strategy and reach sound conclusions;
- availability of time to devote to the Board; and
- awareness of relevant social, political, and economic trends affecting the Company.

The ESG Committee uses a variety of methods for identifying and evaluating director nominees. The ESG Committee assesses the appropriate size of the Board, and whether any vacancies on the Board are expected due to retirement or otherwise. In the event that vacancies are anticipated, or otherwise arise, the ESG Committee considers various potential candidates for director. Candidates may come to the attention of the ESG Committee through various means, including recommendations from current directors, third-party search firms, shareholders or other individuals.

CORPORATE GOVERNANCE AND RELATED MATTERS

**Experience and Skills**

The table below summarizes some of the relevant experience, qualifications and demographic information of each continuing director and nominee identified by the ESG Committee. The biographies above describe each director’s or nominee’s background in more detail.

**Experience and Skills Matrix**

	A. Scott Anderson	Lonny J. Carpenter	Stephen C. Evans	David K. Floyd	Thomas J. Gunderson	Laura S. Kaiser	Fred P. Lampropoulos	Michael R. McDonnell	F. Ann Millner, ED.D.	Lynne N. Ward
<b>Board Tenure</b>	12	3	2	3	6	1	36	1	8	4
<b>Age</b>	76	61	58	62	72	62	73	59	71	64
<b>Experience</b>										
CEO or board leadership – complex organizational performance and oversight	•	•	•	•		•	•	•	•	•
Medical device industry – marketing, sales, operations, distribution, R&D		•		•		•	•	•		
Manufacturing – regulated industry experience		•		•			•			
International business		•	•	•			•			
Management or corporate board service	•	•		•	•	•	•	•	•	•
<b>Skills and Expertise</b>										
Strategy and strategic planning	•	•	•	•		•	•	•	•	•
Sales and marketing	•	•		•	•		•			
Corporate financial literacy	•				•			•		•
Accounting and audit								•		•
Capital markets and financing transactions	•				•		•	•		
Technology, IT systems and cybersecurity			•							•
Mergers and acquisitions		•		•			•	•		
Talent management	•	•	•	•		•	•	•	•	•
Corporate environmental, social and governance	•			•		•			•	
Investor and stakeholder relations					•		•	•		

**Board Diversity**

The Company is committed to diversity and inclusion, and believes it is important that the Board is composed of individuals representing the diversity of our communities. The ESG Committee seeks director nominees with a broad diversity of experience, professions, skills and backgrounds.

The table below reports self-identified gender and demographic statistics for the Board, as constituted prior to the Annual Meeting, in the format required by the Nasdaq Marketplace Rules.

**Board Diversity Matrix  
(as of April 4, 2023)**

<b>Board Size</b>				
Total Number of Directors	11			
	Female	Male	Non-Binary	Did Not Disclose Gender
<b>Part I: Gender Identity</b>				
Directors	3	8	-	-
<b>Part II: Demographic Background</b>				
African American/Black	-	1	-	-
Alaskan Native or Native American	-	-	-	-
Asian	1	-	-	-
Hispanic or Latinx	-	-	-	-
Native Hawaiian or Pacific Islander	-	-	-	-
White	2	6	-	-
Two or More Races or Ethnicities	-	-	-	-
LGBTQ+			-	
Did not Disclose Demographic Background			1	

**Shareholder Recommendations**

The ESG Committee considers properly submitted director-nominee recommendations from shareholders prior to the issuance of the proxy statement for the next annual meeting of shareholders. Materials provided by a shareholder in connection with such a recommendation are forwarded to the ESG Committee. In evaluating those recommendations, the ESG Committee seeks to achieve a balance of knowledge, experience and capability on the Board and to address the membership criteria described above.

Any shareholder wishing to recommend a candidate for consideration by the ESG Committee should submit a recommendation in writing indicating the candidate's qualifications and other relevant biographical information and provide confirmation of the candidate's consent to serve as a director.



**We want to hear from you**

Interested shareholders should send recommendations to:

**Merit Medical Systems, Inc.**  
Attn: Brian G. Lloyd,  
Corporate Secretary  
1600 West Merit Parkway  
South Jordan, Utah 84095

CORPORATE GOVERNANCE AND RELATED MATTERS

**Board and Committee Meetings and Responsibilities**

In 2022, the Board met 12 times. Directors are expected to attend regular Board meetings, Board committee meetings and annual shareholder meetings. The independent directors met in executive session six times during 2022.

As further described below, the Board has a standing Audit Committee, Compensation Committee, ESG Committee, Finance Committee and Operating Committee. The Company believes each of the directors serving on the Audit, Compensation, and ESG Committees is an “independent director” for purposes of the Nasdaq Marketplace Rules and that each of the directors serving on the Compensation Committee is a “non-employee director” for purposes of Rule 16b-3 of the Securities Exchange Act of 1934, as amended ([Exchange Act](#)).

**≥75%**

All directors attended at least 75% of the total number of meetings of the Board and of any committee on which he or she served.

**Audit Committee**

Members	Primary Responsibilities	# of Meetings in 2022
Lynne N. Ward (Chair) Stephen C. Evans Thomas J. Gunderson James T. Hogan* Michael R. McDonnell  <i>The Board has determined that Ms. Ward and Messrs. Gunderson and McDonnell are audit committee financial experts, as defined in Item 407(d) of Regulation S-K under the Exchange Act.</i>	The Audit Committee meets to review and discuss our accounting practices and procedures and quarterly and annual financial statements with our management and independent public accountants. The Audit Committee assists the Board in fulfilling its responsibility for oversight of the quality and integrity of our accounting, auditing and reporting practices.  The Audit Committee’s primary duties include: <ul style="list-style-type: none"> <li>• reviewing the scope and adequacy of internal accounting and financial controls;</li> <li>• reviewing the independence of our independent registered public accounting firm;</li> <li>• approving the scope and results of the audit activities of our independent accountants;</li> <li>• approving fees of, and non-audit related services by, our independent accountants;</li> <li>• in coordination with the Operating Committee, reviewing our risk management program with respect to financial and accounting practices, information technology and cybersecurity;</li> <li>• reviewing the objectivity and effectiveness of our internal audit function;</li> <li>• reviewing our financial reporting activities and the accounting standards and principles followed; and</li> <li>• reviewing and approving related person transactions.</li> </ul>	10

**Compensation and Talent Development Committee**

Members	Primary Responsibilities	# of Meetings in 2022
A. Scott Anderson (Chair) Lonny J. Carpenter Stephen C. Evans James T. Hogan* F. Ann Millner, Ed. D.	The Compensation Committee is responsible for overseeing, reviewing and approving executive compensation and benefit programs of the Company, as well as the Company’s talent development activities. Additional information regarding the functions, procedures and authority of the Compensation Committee is provided in the Compensation Discussion and Analysis beginning on page 40 below. The Compensation Committee Report appears on page 57 below.	6

**Environmental, Social and Governance Committee**

<b>Members</b>	<b>Primary Responsibilities</b>	<b># of Meetings in 2022</b>
F. Ann Millner, Ed.D. (Chair) A. Scott Anderson David K. Floyd Laura S. Kaiser Lynne N. Ward	The ESG Committee is responsible for oversight of the Company's environmental and social business practices, the Company's corporate governance practices, including the practices set forth in our Governance Guidelines and the Company's director nomination process and procedures, and matters impacting the Company's image and reputation and its standing as a responsible corporate citizen. As discussed earlier, the ESG Committee selects, evaluates and recommends to the full Board qualified candidates for election to the Board. The ESG Committee also provides oversight of our sustainable business practices.	6

**Finance Committee**

<b>Members</b>	<b>Primary Responsibilities</b>	<b># of Meetings in 2022</b>
Thomas J. Gunderson (Chair) Lonny J. Carpenter Michael R. McDonnell Lynne N. Ward	The Finance Committee assists the Board with oversight of the Company's financial management, including oversight of the Company's financing and capital structure objectives and plans; and the following: <ul style="list-style-type: none"> <li>• the Company's merger and acquisition strategy;</li> <li>• the Company's investment programs and practices, including international cash management</li> <li>• the Company's strategic planning and activities; and</li> <li>• the Company's tax strategy and structure.</li> </ul>	7

**Operating Committee**

<b>Members</b>	<b>Primary Responsibilities</b>	<b># of Meetings in 2022</b>
Lonny J. Carpenter (Chair) David K. Floyd James T. Hogan* Laura S. Kaiser Fred P. Lampropoulos	The Operating Committee's primary purpose is to work with the Company's management to establish operating targets for the business (subject to approval of the Board). Management reports to the Operating Committee on its progress to achieve the operating targets approved by the Board. The Operating Committee played a significant role in the development of our Foundations for Growth program and continues to provide oversight of that program. The Operating Committee also provides oversight of our enterprise risk management program and coordinates oversight of particular risk areas with the standing committees to whom those areas of risk are delegated.	10

\* Mr. Hogan's membership on these committees will end when his current term as director expires at the Annual Meeting.

## CORPORATE GOVERNANCE AND RELATED MATTERS

### **Board Evaluation**

In 2022, the ESG Committee engaged an experienced independent advisor to conduct a comprehensive Board evaluation to assess the effectiveness of our Board, committees and members. The process was led by the ESG Committee and facilitated by the independent advisor to preserve the integrity of the process and anonymity of the feedback of the Company's directors and senior executive officers who participated in the process. The evaluation process facilitator met individually with each director and some of the Company's senior executive officers to obtain and compile responses to the evaluation, which included feedback from directors on other directors, for review by the ESG Committee and the Board.

The ESG Committee reviewed the evaluation results with the evaluation process facilitator and coordinated an opportunity for the facilitator to present the general conclusions developed in the course of the evaluation to the Board. The Board reviewed and discussed the conclusions presented by the facilitator and reviewed potential actions to be taken as a result of the evaluation. The Board intends to use the evaluation results to inform Board and committee composition and refreshment, including expansion and refinement of the attributes and experience criteria for Board membership and to address the evolving needs of the Company. The evaluation aims to (1) identify opportunities where our Board and its committees can improve their performance and effectiveness, (2) assess any need to evolve the composition and expertise of our Board and (3) assure that our Board and its committees are operating in accordance with our Governance Guidelines and committee charters.

### **Risk Management**

The Board is involved in assessing and managing risks that could affect the Company. One of the roles of the Board is to periodically assess the processes used by management with respect to risk assessment and risk management, including identification by management of the principal risks of our business, and the implementation by management of appropriate systems to deal with such risks. The Board fulfills these responsibilities either directly, through delegation to committees of the Board, or, as appropriate, through delegation to individual directors.

The Board has delegated risk management oversight responsibilities to the Operating Committee. However, oversight of particular risks has been further delegated to the applicable standing committee(s) of the Board. The Audit Committee is responsible for oversight of risks relating to the quality and integrity of our financial reports, the independence and qualifications of our independent registered public accounting firm, our compliance with disclosure and financial reporting requirements and overall enterprise risk management, including evaluation and oversight of cybersecurity risk management. At least annually, the Board and/or the Audit Committee is briefed by the Company's Chief Technology Officer and other members of the Company's management on information technology and cybersecurity risks and the Company's efforts to mitigate those risks. The Compensation Committee is generally responsible for oversight of risks such as those relating to executive employment policies, our compensation and benefits systems, including our executive compensation program, and human capital development. The ESG Committee is generally responsible for oversight of risks addressed through the identification and recommendation of individuals qualified to become directors of the Company, director and management succession planning and development and implementation of corporate governance principles. The Finance Committee is generally responsible for oversight of risks relating to mergers and acquisitions, as well as capital raising activities and transactions. These committees exercise their oversight responsibilities through reports from and meetings with officers of the Company responsible for each of these risk areas, including our Chief Financial Officer, Chief Operating Officer, Chief Legal Officer, Chief Commercial Officer, Chief of Accounting, Chief Compliance Officer, Chief Technology Officer, Director of Internal Audit, Director of Enterprise Risk Management and Vice President, Environmental, Social and Governance. In such meetings, committee members discuss and analyze such risks, and, when necessary, consult with outside advisors.

### **Director Orientation and Continuing Education**

New directors participate in an orientation program developed and overseen by our ESG Committee, which is conducted prior to or shortly after the director's election or appointment. This orientation program includes



presentations by other directors and members of the Company's senior management with respect to finance, operations, governance, legal and compliance matters, regulatory issues, cybersecurity, industry developments and strategic planning. In recent years, our ESG Committee has led an enhancement of our director orientation program, including scheduled orientation sessions with members of the Company's senior management and delivery of detailed orientation materials. In addition to the initial onboarding process, members of the Company's senior management regularly provide ongoing orientation and training sessions at Board meetings, including presentations regarding business strategy, legal and regulatory compliance, information technology and cybersecurity, business development and governance. The information technology and cybersecurity training provided to the Board is an extension of the Company's cybersecurity awareness program provided by the Company's information technology department to Company employees worldwide. The Company's cybersecurity awareness program includes regular training courses which are available throughout the Company and periodic updates targeted to individual departments, sites or regions as appropriate. The Company also encourages directors to obtain third-party continuing education on topics of relevance to the Company and its operations and provides to directors reimbursement of up to \$5,000 of annual educational expenses.

### Shareholder Engagement

We regularly communicate with many of our largest shareholders regarding our operations and financial results. During the years leading up to 2020, we expanded our shareholder communication efforts in an attempt to develop a better understanding of the corporate governance and executive compensation perspectives and practices which are important to our shareholders. Our shareholder engagement efforts are directed by Ann Millner, Ed.D., our Lead Independent Director and Chair of our ESG Committee, and A. Scott Anderson, Chair of our Compensation Committee and former Lead Independent Director, and are supported by members of our executive management and investor relations teams.

As a consequence of the ongoing COVID-19 pandemic, the scope of engagement between our directors and shareholders was reduced significantly during 2020, 2021 and 2022. We maintained contact with several of our large shareholders during 2022, primarily through financial conferences and investor presentations; however, most of the input we received with respect to the interests of our shareholders was provided by external advisors and focused on the development of corporate governance and executive compensation practices which are generally deemed favorable by sophisticated shareholders and their advisors. After considering that input, during 2022 our Board and its ESG and Compensation Committees took a number of actions which we believe have strengthened our corporate governance and executive compensation practices. Those actions include:

- Increased the number of independent directors;
- Identified experience and skills which would enhance the Board's ability to fulfill its duties and responsibilities and nominated two new directors whom the Board believes will contribute that experience and those skills;
- Continued to encourage and provide oversight of expanded sustainable business practices;
- Continued and refined the Company's long-term equity performance-based restricted stock program designed to increase the alignment of our executive compensation with Company performance; and
- Enhanced oversight of the Company's enterprise risk management practices, under the direction of the Operating Committee.

Our Board is committed to implementing governance, executive compensation and sustainability practices which will contribute to the long-term success of the Company. To fulfill that commitment, our Board, primarily through its ESG and Compensation Committees, will continue to seek opportunities to consult with major shareholders in appropriate situations. We anticipate Dr. Millner and Mr. Anderson will continue to lead those efforts, with the support of members of our executive management and investor relations teams.

## CORPORATE GOVERNANCE AND RELATED MATTERS

### ***Shareholder Communication with the Board of Directors***

The Board will receive communications from Company shareholders. All communications, except those related to shareholder proposals that are discussed below under the heading “Shareholder Proposals for Annual Meeting 2024,” must be sent to our Corporate Secretary (Brian G. Lloyd) at our principal executive offices at 1600 West Merit Parkway, South Jordan, UT 84095. Communications submitted to the Board (other than communications received through our whistleblower hotline, which are reviewed and addressed by the Audit Committee) are generally reported to our directors at the next regular meeting of the Board.

All directors of the Company are strongly encouraged to attend our Annual Meeting. Ten of the eleven directors, then serving on the Board or nominated to the Board, were present in person or through video conference at our 2022 annual meeting of shareholders.

### **Governance Guidelines and Code of Ethics**

#### ***Corporate Governance Guidelines***

Our Governance Guidelines set forth the responsibilities of our directors.

The Governance Guidelines include guidelines that, among other things, contemplate that directors will maintain minimum stock ownership with a value of at least five times the annual retainer received. The Governance Guidelines also require the CEO to maintain minimum stock ownership with a value of at least five times his or her annual base salary. Directors have five years from appointment to the Board to comply with the minimum stock ownership requirement. The ESG Committee provides oversight of the stock ownership guidelines and may allow waivers with respect to the stock ownership guidelines for directors and the CEO on a case-by-case basis. All current directors and nominees are within their respective five-year transition periods except our CEO, A. Scott Anderson, Thomas J. Gunderson and F. Ann Millner. Our CEO, Messrs. Anderson and Gunderson and Dr. Millner are presently in compliance with the minimum stock ownership guidelines.

#### **Governance Materials**

The following materials relating to corporate governance are available via our website at:

[www.merit.com/investors/corporate-governance-leadership/](http://www.merit.com/investors/corporate-governance-leadership/)

- Code of Business Conduct and Ethics
- Code of Ethics for CEO and Senior Financial Officers
- Corporate Governance Guidelines
- Compensation Committee Charter
- Audit Committee Charter
- ESG Committee Charter
- Operating Committee Charter
- Finance Committee Charter

#### ***Code of Business Conduct and Ethics***

Our Code of Business Conduct and Ethics ([Code of Conduct](#)) applies to our directors and employees, including our NEOs, and is supplemented by additional provisions applicable to our CEO and senior financial and accounting officers. All Company directors, officers and employees are required to act ethically at all times and in accordance with the principles and policies set forth in the Code of Conduct.

## CORPORATE GOVERNANCE AND RELATED MATTERS

Among other principles and policies, the Code of Conduct finds a conflict of interest exists when a person's private interest interferes with the interests of the Company. The Code of Conduct recognizes that a conflict of interest occurs when the Company enters into a transaction in which an employee, officer, or director, or someone related to or affiliated with an employee, officer, or director, has a significant personal interest. The Code of Conduct also recognizes that a conflict of interest arises when an employee, officer or director of the Company receives an improper benefit as a result of the person's position with the Company. Our Governance Guidelines prohibit the Company from making or arranging personal loans to directors or executive officers of the Company.

The Code of Conduct obligates employees, officers and directors to promptly disclose conflicts of interest to a supervisor, management, or the Board. Any director who has a conflicting interest in a potential conflicting interest transaction may not participate in the review of that transaction by the Board. Any waiver of the Code of Conduct may be made only by the Board and is required to be promptly disclosed as required by law or the regulations of any exchange on which our securities are traded, including Nasdaq.

### ***Ethics Hotline***

As contemplated by the Code of Conduct, we maintain an ethics hotline that enables our employees, vendors, customers, and shareholders, as well as other interested parties, to submit confidential and anonymous reports of suspected or actual violations of the Code of Conduct or other issues of concern to those parties.

The Audit Committee regularly reviews all complaints we receive through the ethics hotline.



**Ethics  
Hotline**

Our ethics hotline may be accessed:

- by telephone at (877) 874-8416
- online at [www.merit.alertline.com](http://www.merit.alertline.com)

### ***Trading Restrictions***

Our directors and executive officers are subject to our Corporate Policy on Insider Trading, which is designed to facilitate compliance with insider trading laws and governs transactions in our Common Stock and related derivative securities. Any director, officer or employee in possession of material, nonpublic information, or who may be deemed to possess such information by reason of his or her positions, may not (i) trade in the Company's securities; (ii) share the information with others ("tipping"), or (iii) permit a member of his or her immediate family to trade in the Company's securities. Our policy designates certain regular periods, from 15 days prior to the end of a calendar quarter to two full business days after the release of financial results, in which trading is prohibited for individuals in information-sensitive positions, including directors and executive officers. Our policy also prohibits executive officers and directors from (i) trading in Company stock on a short-term basis (minimum six-month holding period); (ii) engaging in short sales of Company stock; (iii) buying or selling put options or call options or other derivative instruments associated with Company stock; or (iv) entering into hedging transactions associated with Merit stock. After reviewing the provisions of the policy which prohibit our directors and executive officers from maintaining margin accounts collateralized by shares of our Common Stock, the Board granted to our CEO a limited waiver of the application of the policy in order to provide him with time to close out a margin account he had established prior to the adoption of the policy.

Additional periods of trading restriction may be imposed as determined by our CEO or the Insider Trading Compliance Officers (currently our Chief Legal Officer and our Chief Financial Officer) in light of material pending developments. Further, during permitted windows, individuals in information-sensitive positions are required to seek pre-clearance for trades from an Insider Trading Compliance Officer, who assesses whether there are any important pending developments, including cybersecurity matters, which need to be made public before the individual may participate in the market.

## CORPORATE GOVERNANCE AND RELATED MATTERS

### ***Director Retirement Policy***

In October 2017, we amended our Governance Guidelines to require that, upon reaching 75 years of age, each director of the Company must submit to the Board a letter of resignation to be effective at the next annual meeting of shareholders. The Board will generally accept such resignations unless the ESG Committee or the Board determines to extend the director's service through the expiration of his or her then-current term or nominate the director for another term.

In accordance with the provisions of the Governance Guidelines, upon reaching the age of 75 years, A. Scott Anderson tendered to the Board his letter of resignation. Our ESG Committee and the Board considered Mr. Anderson's resignation and his contributions to the Company. Following such consideration, the ESG Committee recommended that the Board decline to accept Mr. Anderson's resignation and, acting on that recommendation, the Board declined to accept his resignation. The Board determined that, despite being beyond the retirement age set forth in our Governance Guidelines, Mr. Anderson continues to provide significant contributions to our Board and the Company, and his unique perspective and extensive skills and experience continue to make him a valuable asset to the Board and the Company. Mr. Anderson's current term as a director is scheduled to expire in 2024.

### **Sustainability**

Under the oversight of our Board of Directors and management team, we continue to make sustainability a key focus of our business. We have a cross-functional Corporate Sustainability Council that is driving long-term Environment, Social and Governance (**ESG**) goals across our enterprise. These efforts have included proactive actions to address both risks and opportunities related to our sustainability program, as we strive for continued growth and profitability.

Most of our products are disposable medical devices and are generally discarded after a single use due primarily to the risks of exposing patients to bloodborne pathogens capable of transmitting disease or other potentially infectious materials. Additionally, repeated sterilization to address such risks is not possible because it may adversely affect the quality of the materials used in many of our products and result in the failure of our products to function properly if used in multiple medical procedures. Consequently, many of our used products will likely end up in a medical waste disposal facility at the end of their usefulness. We continually look for opportunities to deliver sustainable, long-term growth of our business. Our sustainability practices are an integral component of our business strategy.

We have identified our sustainability opportunities and have developed areas of focus where we believe we are positioned to make a positive impact. These include programs designed to reduce waste, improve efficiencies, reduce greenhouse gas emissions, and protect the environment.

The following discussion summarizes our efforts to put our sustainability values into action during 2022.

## Energy & Greenhouse Gas (GHG) Emissions

Energy is a significant manufacturing input and cost within our global operations. We strive to use energy efficiently and have worked to certify our largest manufacturing facilities to ISO 50001 for energy management systems. Currently 5 of our 6 largest sites hold ISO 50001 certifications, including three sites which were newly certified in 2022. We believe that, as we mature within this ISO system, we will have a positive impact on our energy efficiency. We measure energy by units of joules consumed and measure GHG emissions by carbon dioxide equivalent (CO<sub>2</sub>e) emitted. We measure intensity as units consumed/emitted per dollar of revenue earned.

In comparison to our 2020 baseline year, we experienced an 12% increase in our total energy intensity during 2022. Despite increases in energy intensity, we achieved a 35% decrease in GHG emissions (Scope 1 and 2) intensity due to our increased usage of renewable/clean energy over the past year. In 2022 26% of Merit's total energy usage came from renewable/clean sources, compared to 5% of total energy coming from renewable/clean sources in our 2020 baseline year. During 2022 our total energy usage was 270,273 Gigajoules (GJ), compared to 201,513 GJ in our baseline year 2020. Our 2022 energy intensity was 0.2348 Gigajoules per thousand dollars of revenue earned (GJ/\$KRev), compared to 0.2091 GJ/\$KRev in 2020. Our 2022 Scope 1 GHG emissions were 3,069 metric tons (MT) of CO<sub>2</sub>e, compared to 2020 scope 1 emissions of 2,837 MT CO<sub>2</sub>e. Scope 2 emissions during 2022 were 13,524 MT, compared to 17,480 MT in our baseline year of 2020. Total GHG emissions intensity in 2022 was 0.0144 MT/\$KRev of CO<sub>2</sub>e, compared to 0.0222 MT of CO<sub>2</sub>e/\$KRev in 2020.

**3,069**  
MT CO<sub>2</sub>e  
Scope 1 Emissions

These emissions include stationary combustion from Merit-managed and operated facilities over 10,000 square feet, as well as facility vehicle usage.

**13,524**  
MT CO<sub>2</sub>e  
Scope 2 Emissions

These emissions include purchased non-renewable energy at our global operation sites over 10,000 square feet.

**270,273**  
GJ Energy  
Consumed

Energy consumed includes purchased electricity and fuels consumed by Merit-managed and operated sites greater than 10,000 square feet.

**0.2348**  
GJ/\$KRev  
Energy Intensity

We used 0.2348 GJ of energy for every thousand dollars of revenue earned in 2022.

**0.0144**  
MT CO<sub>2</sub>e  
GHG Emissions Intensity

We emitted 0.0144 metric tons of carbon dioxide equivalent units for every thousand dollars of revenue earned in 2022.

**26%**  
Energy from  
Renewable/Clean  
Sources

We sourced 26% of our total energy consumed from renewable/clean sources in 2022.

## Water

We have identified water as one of our key environmental risks and opportunities. Water usage is a global concern; we seek to address goals and initiatives at the site level by understanding local/regional water basin activity and stress. We strive to understand the impact of water use at each of our operating facilities and to enact programs to improve water efficiency. In general, the water used at Merit sites is withdrawn from surface water, for example lakes and rivers.

**242,274**

**M<sup>3</sup> Water Used**

During 2022, our total global water usage at sites greater than 10,000 square feet was approximately 242.3K cubic meters. Our 2022 water intensity was 0.2105, indexed to revenue (M<sup>3</sup>/\$1K Revenue). This is a 13% reduction from our baseline water intensity in 2020 of 0.2426

CORPORATE GOVERNANCE AND RELATED MATTERS

Water issues vary significantly by operating location. In 2022, we utilized the Water Risk Filter provided in collaboration between the World Wildlife Fund for Nature ([WWF](#)) and KFW DEG to understand basin water risk at our operating locations. We have identified three Company manufacturing locations (Tijuana, Mexico, South Jordan, Utah, and Pearland, Texas) as water-stressed sites. The methodology disclosure for the Water Risk Filter notes: “the logic that underpins the water risk assessment is to evaluate average, recent water risk conditions, as well as some level of future risk” ([waterriskfilter.org](#)).

The following table summarizes Merit operating sites located in identified water stressed regions:

Site	Country	River Basin	Water Depletion*	Baseline Water Stress*	Available Water Remaining*	Drought Frequency Probability*
Tijuana	Mexico	Tijuana	4	5	4	4
Salt Lake City	USA	Great Salt Lake	3	2	5	4
Pearland	USA	Texas	3	3	2	3

\* Assessed risk from 1 (very limited risk) to 5 (very high risk)

**2030 Operational Sustainability Goals**

We have set operational environmental sustainability goals centered on combating climate change and reducing our usage of water resources. Using 2020 as a baseline year, we have committed to achieve the following goals by 2030:

**2030 Operational Sustainability Goals**

Utilizing 2020 as a baseline year, we have committed that by 2030:

- **50%** of our total energy usage will come from renewable sources
- Our energy intensity will decrease by **10%** or more, indexed to revenue
- Our water intensity will decrease by **10%** or more, indexed to revenue
- Our GHG emissions will decrease by **15%** or more, indexed to revenue

See our Statement on Climate Change to learn more about our position and objectives related to climate change, available at [www.merit.com/about/corporate-sustainability/](http://www.merit.com/about/corporate-sustainability/).

The table below captures our progress toward these goals during 2022. We adjust our baseline for changes in our portfolio, assessment methods, and boundary definitions to facilitate consistent measurement of our progress. Due to the improvement in our first year’s results from our baseline year (2020), we intend to continue to evaluate these targets for improved performance year over year.

**Operational Sustainability Target Performance**

(Intensity measured on a per \$ of revenue basis, compared to 2020)

Operational Sustainability Target Performance	2030 Target	2022 Result
Percentage Energy from Renewable Sources	50%	21% Increase
Energy Intensity	10% Reduction	12% Increase
GHG Emissions (Scope 1 and 2)	15% Reduction	35% Reduction
Water Intensity	10% Reduction	13% Reduction

2022 Sustainability Highlights

**3.3M+**  
kg recycled

During 2022 our global facilities recycled more than 3.3M kgs of waste produced by our operations. We recognize additional opportunities to expand our recycling efforts and strive to increase recycling each year, as well as finding ways to reduce total waste.

**Million+**  
sheets of paper &  
thousands of  
plastic sleeves

Our internally designed eWORQ program is transitioning our operating lines from paper and plastic sleeves to electronic work orders. After it is fully implemented, at all our manufacturing sites, we estimate annual savings of millions of sheets of paper and thousands of plastic sleeves. Currently, we are at 34% implementation.

**5,000**  
pounds of fresh  
produce

During 2022, we served over 500 pounds of fresh produce from our gardens in Merit cafeterias and we distributed more than 3,200 pounds of fresh produce to our employees through our U-Pick program at our South Jordan facility, a program that encourages our employees to visit our Company-sponsored garden for fresh air and sunshine during their workday to pick fresh produce and participate in garden cultivation activities. Employees also participate in the garden by signing up for garden boxes to grow fresh produce for themselves and family members throughout the growing season, with the help and expertise of our knowledgeable garden staff. Each year, we donate high-quality produce to low-income senior citizen centers, and we donate lower quality produce to farm animals at a nonprofit charter school, to reduce waste. In total, our 2022 growing season produced approximately 5,000 pounds of fresh produce. Green waste removed from our garden at the end of the growing season is donated to a local landfill to make compost for the next growing season.

**100+**  
metric tons  
reduction in  
employee  
transportation  
related CO<sub>2</sub>e  
emissions

At our South Jordan and Galway facilities, we promote the usage of electric vehicles by providing employees with on-site, electric vehicle-charging stations. At our Tijuana facility, we operate our employee transportation program to reduce emissions and encourage employee safety. During 2022 we contracted 21 fuel-efficient buses to transport over 1,600 employees to and from the facility each workday. These buses provide safe, efficient, and comfortable transportation for our employees in Tijuana. In all, our employee transportation programs at these three locations have resulted in a reduction of over 100 metric tons of CO<sub>2</sub>e. That is the equivalent of planting 3,800 trees and letting them grow for ten years.

**170+**  
metric tons of food  
waste recycled  
globally

Our food waste recycling programs at our large facilities in Salt Lake City, Tijuana and Mexico help to divert organic waste from local landfills. In Salt Lake City, our food waste is taken to an anaerobic digestion plant where it is turned into methane gas that is piped back into the natural gas system to heat businesses and homes. Solid food waste taken from our facilities is turned back into compost to grow more food, contributing to a circular economy for food production.

CORPORATE GOVERNANCE AND RELATED MATTERS

**Oversight for Sustainability**

Our corporate sustainability strategy and goals are overseen by the ESG Committee, executive management, and our Corporate Sustainability Council, comprised of executives and subject-matter experts from across the company. The council meets at least quarterly and leads our efforts to integrate corporate sustainability throughout the company and encourage accountability. The council consists of the following members:

<b>Neil W. Peterson</b> Chief Operating Officer and Sustainability Council Executive Sponsor			
<b>Alisha Jerauld</b> Sustainability Council Chair and Vice President, Environment, Social & Governance	<b>JoAnne Alkire</b> Executive Vice President, Global Marketing & Strategy	<b>Jennifer Allan</b> Director, Enterprise Risk Management	<b>Ricardo Alvarez</b> Managing Director, Operation Merit Medical Tijuana
<b>Mark Butler</b> Executive Vice President, Merit Medical EMEA	<b>Sarah Comstock</b> Vice President, Global Communications	<b>Clay Creamer</b> Executive Vice President, Manufacturing Finance & Strategy	<b>George Frioux</b> Vice President, Global Real Estate & Facilities
<b>Jim Mottola</b> Executive Vice President, Global Research & Development	<b>Nicole Priest, M.D.</b> Chief Wellness Officer	<b>Mike Voigt</b> Chief Human Resources Officer	<b>Jason Reber</b> Vice President, Operations

**2022 Sustainability Report**

Through our 2022 Sustainability Report (scheduled to be released in May 2023) we intend to provide further details about our sustainability initiatives and efforts in 2022. To learn more about our sustainability efforts, and to view Sustainability Reports for prior years, please review the information on our website at [www.merit.com/about/corporate-sustainability/](http://www.merit.com/about/corporate-sustainability/).

**Health & Safety**

The health and safety of our employees is our top priority. We promote a culture where the health and safety of our environment, employees, contractors, suppliers, partners, and customers are of utmost importance. We believe that everyone across the organization is accountable and responsible for environmental health and safety, and we train and ask every employee to actively champion the behaviors and attitudes necessary to prevent work-related injuries, illnesses, property damage, and adverse impacts to the environment. In this way, employee health and safety are an integral part of our culture and a driver for sustainable growth. Our 2022 total recordable injury rate (TRIR) was 0.7, a 36% decrease from our 2020 TRIR of 1.1. We set a goal in 2020 to achieve ISO certification of our Occupational Health and Safety Management System at all our largest manufacturing sites by the end of 2022. We are pleased to report we have reached this goal. We hold ISO 45001 certifications at our large facilities located in Salt Lake City, Galway, Tijuana, Paris, Venlo, and Richmond.



***Compliance & Ethics***

We are committed to a strong culture of compliance and ethics. We recognize that corruption and unethical conduct of any kind undermines our integrity and reputation and is contrary to our values and long-term success. We demonstrate this advocacy by maintaining ethical and responsible policies and practices and monitoring and enforcing these policies throughout all levels of the organization. We hold ourselves accountable to high standards of honesty, fairness, and integrity. Company compliance and anti-corruption policies are designed to ensure interactions with healthcare professionals and healthcare organizations will benefit patients and enhance the practice of medicine. Every Merit employee is responsible for adhering to these policies as well as complying with all laws and regulations, e.g., the U.S. Anti-Kickback Statute, the False Claims Act, the Foreign Corrupt Practices Act ([FCPA](#)), export and import regulations, advertising and promotion laws, and applicable Sunshine/Transparency Laws.

***Environmental Sustainability***

As a leading global manufacturer of medical devices, we believe we have a significant role to play in contributing to a sustainable future. Our core beliefs and our goal to be the most customer-focused company in healthcare is at the heart of everything we do. We strive to provide superior safe and effective products in a sustainable manner, providing for the health of our customers and our communities. We understand that good environmental practices are beneficial to our business and to our stakeholders, both now and in the future. In 2019, we made a goal to achieve ISO 14001 certification of our Environmental Management System at all our largest manufacturing sites. We are proud to report that we achieved our goal. We now hold ISO 14001 certification at sites located in Salt Lake City, Galway, Tijuana, Paris, Venlo and Richmond.

***Diversity & Inclusion***

As a global company, we understand that having a diverse workforce adds value to the entire organization. Among the many advantages are greater innovation, learning, growth, and productivity. We are committed to recruiting and retaining diverse team members at all levels of the organization who can share their varied perspectives on the most complex challenges facing us as we work toward a more equitable world. Today, more than 25% of our directors are women, and more than 35% of our directors meet the Nasdaq standard for diversity. Additionally, more than 34% of our management employees are women. Our global workforce comprises 56% female team members, and 51% of our team members come from diverse minority backgrounds. While we are proud of our progress, we recognize there is still room for improvement and are working on initiatives in this area.

In 2021, we launched our North America Women's Leadership Initiative ([WLI](#)) with tremendous success. We have also launched similar organizations in Asia and Europe. The WLI is an affinity group led by women that is open to all Company employees. The group employs a comprehensive program to cultivate employee engagement and retention by holding meaningful events that facilitate both personal and professional development.

***Enterprise Opportunity Management***

With risk comes opportunity, and with opportunity comes risk. As we navigate our business through a myriad of risks, we strive for a positive focus that embraces opportunity. We recognize that risks and opportunities are present in all business activities and that the effective management of risk while proactively seeking opportunity is a crucial element in maximizing organizational value. Our Enterprise Opportunity Management (EOM) program is designed to actively engage executive leadership, with Board oversight, in monitoring and managing critical corporate risks and opportunities that are in our business and the environment in which we operate. We also look to the future to prepare for emerging risks and opportunities that are on the horizon. As Merit's Enterprise Risk Management program, EOM is aligned with the COSO Enterprise Risk Management and ISO 31000:2018 frameworks.

## CORPORATE GOVERNANCE AND RELATED MATTERS

Our EOM program has supported Merit's sustainability objectives by facilitating analysis and discussion in many areas related to ESG such as responsible sourcing, salient environmental impacts, diversity and inclusion, numerous business continuity-related matters, and compliance with various laws and regulations. During 2022 we conducted scenario analyses to assess both our potential impact on the environment as well as potential climate change impacts on our operations. We considered the potential impact of a 1.5°-3°C of warming at eight of our manufacturing facilities worldwide. The goal of these EOM activities is to identify opportunities that will enable us to not only prepare but to thrive as a sustainable and responsible organization.

### ***Philanthropy***

From the inception of our company, we set out to improve lives around the globe. More than 30 years later, this mission still drives us forward in business and social impact. Through financial contributions, employee time and dedication, and collaboration with global and local non-profit organizations, our worldwide facilities foster stronger communities and create positive change in the areas we serve. We have partnered with other organizations that facilitate the delivery of healthcare to underserved regions of the globe. In 2022, Merit donated products to medical missions in Haiti, Honduras, Kenya, Nicaragua, and Tanzania.

### ***Quality Assurance***

We are committed to delivering excellence across all aspects of our business. This includes the quality of our products, the attitude of our employees, our turnaround time on shipping and deliveries, and the additional value we can bring to the healthcare system with clinician training programs. Patient care is central to our mission. Providing high-quality, innovative products that are safe and effective is our primary goal. The Company's Quality Policy is supported by a quality management system (QMS), which is designed to deliver innovative quality products and services throughout all stages of a product's lifecycle, including design, manufacturing, pre- and post-clinical trials, customer evaluations, and post-market surveillance. During 2022, we participated in 38 regulatory audits, 43 customer audits, and 125 internal audits and had zero class 1 recalls.

### ***Continued Dedication***

We recognize the importance of operating both a sustainable and profitable enterprise for the long term. We believe our operations should not compromise the environment or the economic prospects of future generations, and, under the direction of the ESG Committee, we have focused increasing attention on sustainability and reducing our global environmental footprint in our operations through reducing waste, combating climate change, and reducing, reusing, and recycling materials.

Whether it is manufacturing processes, shipping, or the day-to-day activities at our offices, our employees at all levels are engaged in developing innovative solutions to produce high quality medical products while reducing our global environmental footprint. We are committed to continued reduction in the environmental impact of our business, even as our operations continue to grow.

## **Director Compensation**

We use a combination of cash and stock-based incentive compensation to attract and retain qualified candidates to serve as directors. In setting director compensation, the Board considers the significant amount of time that directors expend in fulfilling their duties to the Company as well as the skill level required by the Company of its

## CORPORATE GOVERNANCE AND RELATED MATTERS

directors. The following table shows the annual retainer amounts payable by the Company to non-employee directors.

<b>Director Retainers</b>	
Lead Independent Director	\$116,000
Other Directors	\$86,000
Audit Chair	\$20,000
Compensation Chair	\$15,000
Governance Chair	\$15,000
Finance Chair	\$15,000
Operating Chair	\$15,000

**Cash Compensation Paid to Directors**

During the year ended December 31, 2022, all non-employee directors of the Company (except F. Ann Millner, Laura S. Kaiser and Michael R. McDonnell) received quarterly retainer payments totaling \$86,000 in aggregate. Ms. Millner, who served as Lead Independent Director throughout the year, received quarterly retainer payments totaling \$116,000 in the aggregate. Ms. Kaiser and Mr. McDonnell each received a pro-rated retainer amount of \$52,923 for services rendered commencing on their appointment to the Board on May 19, 2022. Additionally, each of the committee chairs was paid his or her chair-specific retainer(s) (as set forth in the foregoing table) during the year ended December 31, 2022. Directors are also reimbursed for (a) out-of-pocket travel and related expenses incurred in attending Board and committee meetings and other Company events, and (b) up to \$5,000 for annual educational expenses.

**Stock Awards**

Directors are eligible to participate in our equity incentive programs. For the year ended December 31, 2022, the amount of the annual equity compensation award for non-employee directors was set at \$180,000. Accordingly, each non-employee director who served during the year ended December 31, 2022 received 3,050 restricted stock units under the 2018 Incentive Plan, which vest on May 24, 2023, one year from the grant date. We first began granting restricted stock units to directors during the year ended December 31, 2020. In prior years, directors were granted options to purchase shares of Common Stock, which vested in equal annual increments over a period of three years (for options granted in 2019) or five years (for options granted prior to 2019). Effective January 1, 2023, the Board increased the amount of the annual equity compensation award for non-employee directors to \$190,000.

## CORPORATE GOVERNANCE AND RELATED MATTERS

The following table shows compensation for each of our non-employee directors in 2022:

Name <sup>(1)</sup>	Fees Earned or Paid in Cash (\$)	Stock Awards (\$) <sup>(2)</sup>	Non-Equity Incentive Plan Compensation (\$)	All Other Compensation (\$)	Total Compensation (\$)
A. Scott Anderson	101,000	180,011	—	—	281,011
Jill D. Anderson <sup>(3)</sup>	43,000	—	—	—	43,000
Lonny J. Carpenter	101,000	180,011	—	—	281,011
Stephen C. Evans	86,000	180,011	—	—	266,011
David K. Floyd	86,000	180,011	—	—	266,011
Thomas J. Gunderson	101,000	180,011	—	—	281,011
James T. Hogan	86,000	180,011	—	—	266,011
Laura S. Kaiser	52,923	180,011	—	—	232,934
Michael R. McDonnell	52,923	180,011	—	—	232,934
F. Ann Millner, Ed.D.	131,000	180,011	—	—	311,011
Lynne N. Ward	103,500	180,011	—	—	283,511

- (1) Fred P. Lampropoulos served as a director of the Company during 2022 but is not identified in the foregoing director summary compensation table because of his dual status as an NEO and director. Information regarding Mr. Lampropoulos' 2022 compensation can be found under "Executive Compensation" below.
- (2) The amounts shown for stock awards reflect the aggregate grant date fair value of restricted stock units granted to the non-employee directors in 2022. We calculated these amounts in accordance with financial statement reporting rules, using the same assumptions we used for financial statement reporting purposes pursuant to our long-term incentive plans. Assumptions used in the calculation of these amounts are included in footnotes to our Annual Report. As of December 31, 2022, all current non-employee directors held 3,050 restricted stock units. As of December 31, 2022, non-employee directors held outstanding options for the following number of shares: Mr. Anderson, 61,250; Mr. Gunderson, 71,250; Dr. Millner, 66,250; and Ms. Ward, 7,433.
- (3) Ms. Anderson served as a director of the Company from January 2019 through May 2022. During the years ended December 31, 2022, 2020 and 2019, we made contingent payments of approximately \$1.6 million, \$800,000 and \$1.0 million, respectively, to Ms. Anderson, in her capacity as a former shareholder of Cianna Medical, Inc. ([Cianna Medical](#)) which we acquired in 2018. We made no such payments in 2021. The terms of the Cianna Medical acquisition, including contingent consideration payments, were determined prior to the appointment of Ms. Anderson as a director of the Company. As a former shareholder of Cianna Medical, Ms. Anderson may be eligible for additional payments for the achievement of sales milestones specified in our merger agreement with Cianna Medical. These payments have been excluded from the Non-Employee Director Summary Compensation table in each respective year, as they represent settlement of a contingent liability recorded as part of the purchase consideration for Cianna Medical in 2018 and were not compensation for services provided.

## Related Person Matters

### Policies and Procedures Regarding Transactions with Related Persons

Our Code of Conduct requires that every employee avoid situations where loyalties may be divided between our interests and the employee's own interests. Employees and directors must avoid conflicts of interest that interfere with the performance of their duties or are not in our best interests.

## CORPORATE GOVERNANCE AND RELATED MATTERS

Pursuant to its written charter, the Audit Committee reviews and approves all “related party transactions” (as such term is used by ASC Topic 850 Related Party Disclosures) involving executive officers and directors, or as otherwise may be required to be disclosed in our financial statements or periodic filings with the Securities and Exchange Commission ([SEC](#)) (including under Item 404 of Regulation S-K under the Securities Act of 1933), other than:

- grants of stock options made by the Board or any committee thereof or pursuant to an automatic grant plan; and
- payment of compensation authorized by the Board or any committee thereof.

A [Related Person Transaction](#) is a transaction, arrangement or relationship (or any series of similar transactions, arrangements or relationships) in which the Company (including any of its subsidiaries) was, is or will be a participant and, as relates to directors or shareholders who have an ownership interest in the Company of more than 5%, the amount involved exceeds \$120,000, and in which any Related Person (defined below) had, has or will have a direct or indirect material interest.

A [Related Person](#) includes officers, directors, nominees, five percent beneficial owners and their respective immediate family members (which in turn includes person’s spouse, parents, siblings, children, in-laws, step relatives, and any other person sharing the household (other than a tenant or household employee)).

Related Person Transactions include transactions between the Company and its executive officers and directors. We have adopted written policies and procedures regarding the identification of Related Persons and Related Person Transactions and the approval process for such transactions. The Audit Committee considers each Related Person Transaction in light of the specific facts and circumstances presented, including but not limited to the risks, costs and benefits to the Company and the availability from other sources of comparable services or products.

### **Certain Related Person Transactions**

The Board, acting through the Audit Committee, believes that the following Related Party Transactions are reasonable and fair to the Company:

- Joseph C. Wright, Chief Commercial Officer, is the brother-in-law of Fred P. Lampropoulos, Chair of the Board, CEO and President of the Company. In 2022 we provided to Mr. Wright total cash and equity compensation of \$1,858,936. Refer to the Summary Compensation Table for additional information regarding his compensation.
- Frank Wright, formerly the OEM Business Development Manager of the Company, is the brother-in-law of Fred P. Lampropoulos, Chair of the Board, CEO and President of the Company. In 2022 we provided to Mr. Wright total compensation of \$145,697.

## EXECUTIVE COMPENSATION AND RELATED MATTERS

### Executive Summary

During the years ended December 31, 2021 and 2020, the global COVID-19 pandemic impacted our business in significant ways. In 2022, we observed a generally improving operating environment with fewer restrictions on elective and deferrable procedures leading to record sales of \$1.151 billion, an increase of \$76.2 million or 7.1%, compared to 2021 sales of \$1.075 billion. Our 2022 revenue results were driven primarily by stronger-than-anticipated demand for our products in the U.S. and more favorable than anticipated international sales trends.

During 2022 we received “Breakthrough Device Designation” for our Embosphere® Microspheres for use in genicular artery embolization for symptomatic knee osteoarthritis. We also received FDA clearance for our SCOUT® Bx™ delivery system, the first wire-free breast localization solution that can be deployed at the time of stereotactic or MRI-guided biopsy, representing a notable addition to the Merit Oncology portfolio.

We also launched eight new products during 2022 including the basixALPHA™ inflation device, PreludeSYNC EZ™ radial compression device, TEMNO Elite™ soft tissue biopsy system, Prelude Roadster™ guide sheath, SafeGuard Focus Cool™ compression device, SCOUT Mini Reflector, ReSolve® thoracostomy tray and the commercial release of the smallest and shortest configuration in the Elation® pulmonary balloon dilator portfolio.

In November 2020, we introduced a corporate transformation initiative known as the “Foundations for Growth” Program, with multi-year financial targets for growth and improved profitability for the three-year period ending December 31, 2023. As part of this initiative, we continue to review the need to consolidate facilities, strategically reduce operating expenses and incentivize our sales force to focus on products that will improve our financial performance. Our dedication to the Foundations for Growth Program has helped offset inflationary cost pressures we experienced in certain raw materials, shipping and freight expenses.

EXECUTIVE COMPENSATION AND RELATED MATTERS

Key financial results for the last five fiscal years are highlighted below:



<sup>(1)</sup> Non-GAAP net income, non-GAAP gross margin and non-GAAP earnings per share are non-GAAP financial measures. A reconciliation of non-GAAP financial measures used in this Proxy Statement to their most directly comparable GAAP financial measures is included under the heading “Non-GAAP Financial Measures” below.

The results of our operating and financial performance over the past five years are illustrated in the tables above. Although our historic results are not a guarantee of future performance, we believe our performance during that five-year period positions us for sustainable growth in profitability going forward.

## EXECUTIVE COMPENSATION AND RELATED MATTERS

Our operating and financial results were a significant factor in the deliberations of our Compensation Committee when evaluating the amount and form of compensation paid to our CEO and other NEOs. Our Compensation Committee believes there are multiple factors that have contributed to our financial and operating performance, particularly during the challenges of the past several years; however, two of the key factors have been our outstanding employees and the leadership provided by our CEO and other executive officers. Accordingly, the Compensation Committee seeks to implement and advance an executive compensation program that recognizes Company performance and individual contribution, while encouraging long-term motivation and retention. The Compensation Committee believes our executive compensation program has been instrumental in helping the Company sustain its strong financial performance over many years.

### Compensation Philosophy

Under the oversight of the Compensation Committee, our compensation philosophy is to offer compensation programs to the NEOs that align the interests of management and shareholders for the purpose of maximizing shareholder value, while considering the interests of other significant stakeholders such as employees, patients, customers, business partners and the communities in which we operate.

The primary objectives of our compensation programs are:

- 1** focus executives on achieving or exceeding measurable performance targets;
- 2** influence executives to lead our employees in the implementation of cost-saving plans;
- 3** continue our entrepreneurial spirit;
- 4** attract and retain highly-qualified and motivated executives; and
- 5** promote a highly ethical environment and maintain health and safety standards.

Our executive compensation programs specific to the NEOs are overseen by the Compensation Committee. In pursuit of our compensation philosophy and objectives, the Compensation Committee believes that the compensation packages provided to the NEOs should generally include both cash and equity-based compensation. Base pay and benefits are set at levels considered necessary to attract and retain qualified and effective executives. Variable incentive pay is used to align the compensation of the NEOs with our short-term business and performance objectives, such as income and overall financial performance. Equity awards are intended to motivate executives to create long-term shareholder value. Historically, equity awards consisted solely of stock options, but during 2019, the Compensation Committee determined to add awards of performance-based restricted stock units (**PSUs**) to our long-term equity incentive program and to base our short-term executive bonus program on the achievement of predetermined performance targets, with both adjustments effective in 2020. The PSUs and executive bonus targets are designed to increase the alignment of NEO compensation with the Company's achievement of Board-approved performance measures and relative shareholder return. During 2021, the Compensation Committee, working with the Operating Committee, also provided oversight of the development and implementation of a Company-wide compensation and bonus program as part of our Foundations for Growth Program. During 2022, we distributed to Company employees the first payment pursuant to that program.





## Selected 2022 Highlights

- Achieved record revenues in excess of \$1.15 billion
- Exceeded many of the Company-wide performance measures established pursuant to our Foundations for Growth initiative, designed to maintain growth, improve our operating margins and build a foundation for long-term profitability
- Distributed to Company employees the first payment under our Company-wide compensation and bonus program designed to increase the alignment of employee compensation with the Company's achievement of the Foundations for Growth performance measures
- Continued efforts to reduce our environmental footprint by continuing to implement new programs to reduce waste, conserve resources, and improve the areas where we do business
- Launched eight new products during 2022 including the basixALPHA™ inflation device, PreludeSYNC EZ™ radial compression device, TEMNO Elite™ soft tissue biopsy system, Prelude Roadster™ guide sheath, SafeGuard Focus Cool™ compression device, SCOUT Mini Reflector, ReSolve® thoracostomy tray and the commercial release of the smallest and shortest configuration in the Elation® pulmonary balloon dilator portfolio
- Continued to address challenges attributable to the global COVID-19 pandemic by focusing on employee health and safety and maintaining operations, which ultimately resulted in positive operating and financial results
- Cumulative total return on our Common Stock from December 31, 2017 to December 31, 2022 of approximately 63%<sup>(1)</sup>

(1) Reflects five-year cumulative total return of our Common Stock, as reported by Nasdaq for the period from December 31, 2017 to December 31, 2022. Past results are not necessarily an indicator of future results.

## Executive Officers

In addition to Fred P. Lampropoulos (whose biography is included above under “Directors Whose Terms of Office Continue”), we have included the following information related to our other executive officers:



### RAUL PARRA

Chief Financial Officer and Treasurer

**Age:** 45

**Current Position Since:** July 2018

**Highlights:**

- Previous positions at Merit include, Vice President of Accounting, Corporate Controller and Director of Financial Reporting
- Before joining Merit, held various audit and managerial positions at Deloitte & Touche, LLP
- Director and Audit Committee member, American Express National Bank, 2022 to present

**Education:**  
B.S. (business administration with accounting emphasis), Sonoma State; Certified Public Accountant (Inactive)

EXECUTIVE COMPENSATION AND RELATED MATTERS



**Education:**  
B.S. (electronic engineering), Weber State University

**NEIL W. PETERSON** Chief Operating Officer

**Age:** 57

**Current Position Since:** April 2022

**Highlights:**

- More than 28 years of service to Merit and its shareholders
- Previous positions at Merit include Vice President Operations



**Education:**  
B.A., (political science), Columbia University; M.B.A., (finance) Columbia University; Speaks Japanese

**JOSEPH C. WRIGHT** Chief Commercial Officer

**Age:** 53

**Current Position Since:** October 2022

**Highlights:**

- Previous positions at Merit include (a) President, International Division (b) President, Technology Group – overseeing Merit OEM, Merit Sensor Systems, Inc. and Merit's coating division, (c) Vice President of Marketing, and (d) Vice President, International – responsible for sales in Canada, Asia Pacific, and Latin America, 2005 to 2015
- Manages businesses in all global markets outside the U.S. and EMEA
- Before joining Merit, held sales, marketing and business development positions with several companies, including Motorola and Micron
- Mr. Wright is the brother-in-law of Fred P. Lampropoulos, Merit's Chair of the Board, President and CEO



**Education:**  
B.S. (finance), Brigham Young University; J.D., Columbia Law School

**BRIAN G. LLOYD** Chief Legal Officer, Corporate Secretary

**Age:** 62

**Current Position Since:** April 2016

**Highlights:**

- Practiced as an attorney, specializing in corporate governance, securities regulation and mergers & acquisitions, with the law firm of Parr Brown Gee & Loveless, PC in Salt Lake City, Utah for more than 20 years
- Also practiced law in those areas of specialization as a partner with the law firm of Stoel Rives, LLP for four years



## MICHEL J. VOIGT

Chief Human Resources Officer

**Age:** 50

**Current Position Since:** December 2020

**Highlights:**

- Former Chief Human Resources Officer of Mavenir Systems, Inc. from 2017-2020
- Over 20 years of experience in human resources management in various positions at Galderma/Nestle Skin Health, Lexicon Pharmaceuticals Incorporated, and Verizon

**Education:**  
B.S. (business administration and management), Oklahoma State University

## Compensation Discussion and Analysis

This Compensation Discussion and Analysis is designed to explain our philosophy and objectives underlying our executive compensation policies, the processes we follow in setting executive compensation, and the components of executive compensation that we utilize in compensating our NEOs, who are listed below.

The Summary Compensation Table and other compensation tables under “Executive Compensation Tables” below should be read in conjunction with this section.

<b>Named Executive Officer</b>	<b>Position</b>
Fred P. Lampropoulos	Chair, CEO and President
Raul Parra	Chief Financial Officer and Treasurer
Neil W. Peterson	Chief Operating Officer (from April 2022 to
Joseph C. Wright	Chief Commercial Officer
Brian G. Lloyd	Chief Legal Officer and Corporate Secretary
Ronald A. Frost	Former Chief Operating Officer

### Process for Establishing Executive Compensation

#### *Procedure*

The Compensation Committee has oversight responsibility for establishing compensation practices for our CEO and the other NEOs. The Compensation Committee also reviews all compensation decisions for employees of the Company who are related to our CEO.

Performance reviews of the CEO are conducted by the Compensation Committee based on our performance during a given year, compared with our performance objectives, as well as other factors intended to maximize short-term and long-term shareholder value.

## EXECUTIVE COMPENSATION AND RELATED MATTERS

Performance reviews of the other NEOs are based on the CEO's evaluation of individual officer and Company performance for that year, with the objective of maximizing shareholder value. With respect to the compensation levels for the other NEOs, the Compensation Committee considers input and recommendations from the CEO. The CEO makes recommendations concerning salary adjustments, short-term incentive bonus programs and long-term equity awards for the other NEOs, and the Compensation Committee considers those recommendations in determining the compensation of the other NEOs.

### ***Role of Consultants***

Since 2019, the Compensation Committee has engaged Pearl Meyer & Partners, LLC ([Pearl Meyer](#)), an independent compensation consulting firm, to review our executive officer and director compensation practices and advise the Compensation Committee with respect to those compensation practices, including salary, bonus, benefits and equity awards for our executive officers and retainers, meeting fees and equity awards for our directors. Representatives of Pearl Meyer meet regularly with the Compensation Committee and the Compensation Committee has generally evaluated and considered Pearl Meyer's reports and recommendations.

During 2019 and 2020, the Compensation Committee consulted with Pearl Meyer to revise and update the Company's executive compensation programs. The Compensation Committee engaged Pearl Meyer to help revise the Company's executive composition practices to establish a long-term equity incentive program that was not based solely on the award of time-vesting stock options but was based upon the achievement of pre-determined performance measures, utilizing a combination of stock options, PSUs and annual performance-based cash bonuses. Through this collaboration, the Compensation Committee adopted an executive compensation program which became effective during 2020 and continued through 2022. This executive compensation program is comprised of an equity feature that aims for an equity compensation mix of 60% PSUs and 40% stock options (vesting on a ratable basis over four years of service) and performance-based cash bonuses determined as a percentage of each executive officer's base salary. This executive compensation program is designed to increase the alignment of executive compensation with the Company's achievement of Board-approved performance measures, as discussed below.

**External Pay Comparisons**

In its oversight of the compensation practices for our CEO and the other NEOs, the Compensation Committee reviews industry and peer compensation data for medical device companies to confirm that executive compensation is within an appropriate competitive range. The Compensation Committee considers external pay comparison data as a market check on its compensation decisions, but not for specific benchmarking. With input from Pearl Meyer, the Compensation Committee identified a peer group to guide its compensation decisions for 2022 executive compensation that consisted of the following companies:

Company	Revenue <sup>(1)</sup> (dollars in millions)	Market Capitalization at September 15, 2021 (dollars in millions)
ABIOMED, Inc. <sup>(2)</sup>	\$ 935	\$ 16,118
AngioDynamics, Inc.	291	1,045
Cantel Medical Corp. <sup>(3)</sup>	-	-
CONMED Corporation	979	3,742
ICU Medical, Inc.	1,279	5,173
Insulet Corporation	996	20,073
Integer Holdings Corporation	1,107	3,071
Integra LifeSciences Holdings Corporation	1,509	5,859
LivaNova Plc	1,022	4,521
Masimo Corporation	1,177	15,016
Natus Medical Incorporated <sup>(4)</sup>	452	850
NuVasive, Inc. <sup>(5)</sup>	1,153	3,052
Penumbra, Inc.	671	10,567
Quidel Corporation	1,837	6,125
Teleflex Incorporated	2,687	18,190
West Pharmaceutical Services, Inc.	2,523	33,475
Median	\$ 1,107	\$ 5,859
Merit Medical Systems, Inc.	\$ 1,031	\$ 4,073

(1) Revenue is for the trailing twelve months as of the most recently disclosed quarter as of September 15, 2021, generally June 2021.

(2) Acquired by Johnson & Johnson in 2022

(3) Acquired by STERIS plc in June 2021. Revenues and market capitalization not available for the periods indicated.

(4) Acquired by ARCHIMED in 2022.

(5) Added to the peer group for 2021.

The companies selected for inclusion in the Company's executive compensation peer group were selected by the Compensation Committee following consultation with Pearl Meyer based on revenue, market capitalization, market peer indices and Pearl Meyer's assessment of the strength of comparability, as well as overall business characteristics, including product offerings and end markets.

Neither the consultations with Pearl Meyer nor our internal review yielded any significant concerns at the Compensation Committee level regarding our executive compensation practices.

## EXECUTIVE COMPENSATION AND RELATED MATTERS

### ***Evaluation***

In evaluating compensation of the NEOs for the year ended December 31, 2022, the Compensation Committee considered, among other factors, our performance and relative shareholder return in 2021 and 2022, as compared to our performance targets for 2021 and 2022, prior analysis and reports from Pearl Meyer (which contained comparisons of our compensation and financial results with respect to the peer group), and other factors considered relevant by the Compensation Committee.

### ***Other Considerations***

The Compensation Committee also relied on its experience and judgment in making executive compensation decisions after reviewing our performance on a quarterly and annual basis, and evaluating each NEO's individual performance and responsibilities with the Company, as well as current compensation arrangements. The compensation program for the NEOs and the Compensation Committee assessment process have been designed to be flexible in an effort to respond to the evolving business environment and individual circumstances relative to Company and individual performance, shareholder value, as well as internal equity for compensation levels among our executives.

Our executive compensation program is divided into the following two general categories: fixed pay and variable pay.

Fixed pay consists of base salary and is intended to provide each NEO with a level of assured cash compensation appropriate for his or her position within the Company. Variable pay includes annual cash bonus awards and equity-based awards in the form of PSUs and stock options, each as explained in more detail below.

The Compensation Committee believes that a significant portion of total compensation of the NEOs should be both at-risk and tied to the Company's achievement of predetermined performance goals. The Compensation Committee's development and implementation of the Company's revised executive compensation program during 2021 and 2022 reflects its efforts to shift an increased portion of the total compensation payable to the Company's NEOs away from fixed, time-vesting compensation to at-risk, performance-based compensation.

Pursuant to our revised executive compensation program, at the beginning of each year, the CEO and other members of the Company's executive management team identify performance goals which are intended to align the efforts of our executive officers, including the NEOs, with our achievement of our strategic business plan to maximize shareholder value. The CEO then reviews those performance goals with the Compensation Committee. Those goals then become targets for the PSUs and annual performance-based cash bonus component of our executive compensation program. Because the performance goals are generally established at the beginning of each year and market conditions fluctuate throughout the year, the performance goals may not correspond to subsequent annual earnings estimates released by the Company.

### **Compensation Committee Consideration of Shareholder Advisory Votes**

At our annual meeting of shareholders held on May 19, 2022, we submitted the compensation of our executive officers to our shareholders in a non-binding vote. Our executive compensation program received the support of holders of approximately 95.7% of the shares represented at the meeting.

At our annual meeting of shareholders held on May 24, 2017, our shareholders voted on an advisory basis with respect to the frequency of future advisory votes on executive compensation. Holders of approximately 77% of the shares represented at that meeting expressed their preference for an annual advisory vote. Accordingly, we have conducted annual advisory votes on executive compensation since that meeting. The frequency of future advisory votes on executive compensation is the subject of Proposal 3 to be considered by the Company's shareholders at the Annual Meeting.

The Compensation Committee will continue to review future shareholder voting results and determine whether changes should be made to our executive compensation program based on such voting results.

## Pay Mix

The allocation between cash and non-cash NEO compensation is influenced by the practices of subjective and objective analysis conducted by the Compensation Committee and is intended to reflect the Compensation Committee's determination of the appropriate compensation mix among base pay, annual cash incentives and long-term equity incentives for each NEO. Actual cash and equity-based incentive awards are determined based on the performance of the Company and/or the individual NEO, depending on the position of the NEO, the type of award and our performance, compared to established goals. The Compensation Committee also compares the compensation mix relative to our peer group. No specific benchmark with respect to the peer group is targeted, but the Compensation Committee may be influenced by the peer group data to adjust our executive compensation mix if it significantly deviates from the median of the peer group.

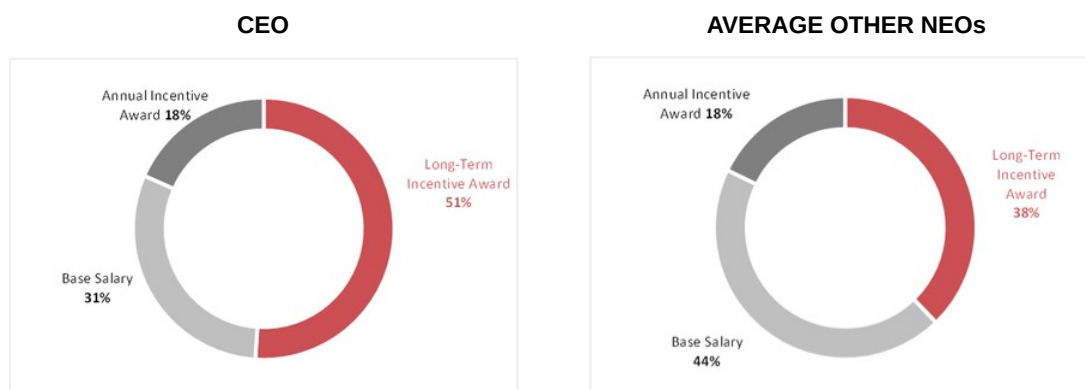
For 2022, the elements of the compensation mix for the NEOs included:

- base salary (designed to attract and retain executives over time);
- annual performance-based cash bonus (designed to focus on business objectives established by the Compensation Committee for a particular year);
- long-term equity-based incentive compensation in the form of stock options, PSUs and, in the case of our CEO, long-term cash-based incentive compensation (designed to align NEO pay with long-term performance);
- broad-based employee retirement, welfare and fringe benefits programs, and other personal benefits; and
- executive deferred compensation.

### Executive Pay Mix Summary

#### 2022 Target Compensation

The following charts show the targeted mix of compensation for our named executive officers in 2022:



### 2022 Compensation

The Compensation Committee considered the following factors, among others, when establishing the amounts of fixed and variable compensation paid to our NEOs for 2022:

#### Fred P. Lampropoulos

- leadership and direction of our Company and employees during an unprecedented time of uncertainty and economic instability as a result of the COVID-19 pandemic and resulting industry dynamics and business constraints;

## EXECUTIVE COMPENSATION AND RELATED MATTERS

- achievement of our 2022 financial performance, targets and partial achievement of the 2022 operating targets set for our executive officers in accordance with our Foundations for Growth Program;
- oversight of operating efficiency initiatives, including our Foundations for Growth initiatives, designed to reduce operating expenses and increase profitability;
- operational management, product development, international expansion, subsidiary development, risk management, and manufacturing capacity planning;
- strategic business development, and management development and oversight; and
- shareholder and financial community relations.

### Raul Parra

- responsibility for the financial and accounting affairs of an increasingly large and complex global organization;
- achievement of our 2022 financial performance targets and partial achievement of the 2022 operating targets set for our executive officers in accordance with our Foundations for Growth Program;
- implementation of operating efficiency initiatives, including our Foundations for Growth initiatives, designed to reduce operating expenses and increase profitability; and
- oversight of our cash flow, including a substantial increase in the amount of our free cash flow, and budgeting practices.

### Neil W. Peterson

- assumption of responsibility for the conduct of our worldwide operations within the budget established by the Board;
- leadership and achievement of critical operational aspects of our Foundations for Growth Program;
- oversight of our efforts to reduce our environmental footprint and promote sustainability; and
- implementation of operating efficiency initiatives designed to reduce operating expenses and increase profitability, consistent with our Foundations for Growth Program.

### Joseph C. Wright

- management of our international sales and marketing activities throughout 2022, with added responsibility for oversight of the Company's U.S. commercial activities upon his appointment as Chief Commercial Officer in November 2022;
- achievement of our 2022 financial performance targets and partial achievement of the 2022 operating targets set for our executive officers in accordance with our Foundations for Growth Program;
- implementation of sales strategies and performance goals; and
- budget management.

### Brian G. Lloyd

- oversight of our legal department, with responsibility for supporting our worldwide operations;



## EXECUTIVE COMPENSATION AND RELATED MATTERS

- corporate counsel and support of the Board in fulfilling its corporate governance obligations;
- achievement of our 2022 financial performance targets and partial achievement of the 2022 operating targets set for our executive officers in accordance with our Foundations for Growth Program; and
- oversight and coordination of significant litigation and other disputes, as well as acquisition and financing transactions.

### Fixed Compensation

#### *Base Salary*

The Compensation Committee does not use a specific formula for evaluating individual performance of the NEOs. The performance of the NEOs other than the CEO is assessed by the Compensation Committee taking into account the CEO's input regarding each NEO's contributions to our performance for the applicable year. The CEO's performance is assessed by the Compensation Committee following formal and informal meetings with the CEO, and final determinations are made by the Compensation Committee. The criteria used in setting the base salary for each NEO, including the CEO, vary depending on the NEO's function, but generally include the Compensation Committee's assessment of the NEO's:

- advancement of our interests with shareholders and customers and in other strategic business relationships;
- achievement of our financial results, position and experience (in an effort to avoid gender or age discrimination);
- leadership inside and outside the Company;
- contribution to specific Company initiatives, such as our Foundations for Growth initiatives, expense reduction efforts, product quality and development and environmental and social objectives; and
- advancement in skills and responsibility.

Given the subjective nature of the criteria identified above, the Compensation Committee has not attempted to develop numeric measurements in determining base salaries for the NEOs. Instead, the Compensation Committee establishes base salaries at levels commensurate with the Compensation Committee's evaluation of each NEO's contribution to our business success. The Compensation Committee has also consulted with Pearl Meyer to assess the levels of base salary and other compensation paid to the CEO and other NEOs, relative to the Company's peers. In particular, the Compensation Committee has set the base salary and incentive cash bonus of the CEO at levels which are higher than the aggregate amount of base salary and incentive bonus paid to the principal executive officers of a number of our peers. Because the CEO is a founder of the Company and owns a substantial number of shares of Common Stock, the Compensation Committee believes his personal interests are more aligned with the interests of our shareholders than our other NEOs. Therefore, the Compensation Committee believes that adjusting his compensation mix to include a greater proportion of cash payments, rather than issuing additional equity awards, serves to increase the alignment of our CEO's interests with the interests of our shareholders.

Effective November 1, 2021, upon the recommendation of the CEO, the Compensation Committee increased the annual base salary payable to Joseph C. Wright to \$700,000, on an interim basis, due to the temporary expansion of his responsibilities for oversight of the Company's international operations, including the Company's operations in Europe, Middle East and Africa, pending the Company's engagement of a new Chief Commercial Officer. Effective November 1, 2022, the increase in Mr. Wright's salary was affirmed upon his appointment as Chief Commercial Officer.

## EXECUTIVE COMPENSATION AND RELATED MATTERS

On April 19, 2022, Ronald A. Frost resigned from his position as Chief Operating Officer of the Company and Neil W. Peterson was appointed to serve as the Company's Chief Operating Officer. During the period from April 19, 2022 through August 26, 2022, Mr. Frost continued to be employed by the Company in a non-executive capacity and provided services to facilitate a smooth transition in responsibilities. Base salary information for Mr. Frost set forth in the table below and the Summary Compensation Table reflect amounts paid to Mr. Frost through the date of his separation.

Based on its evaluation, the Compensation Committee approved the following NEO base salaries for the year ended December 31, 2022, which are also reflected in the Summary Compensation Table under "Executive Compensation Tables" below.

<b>Named Executive Officer</b>	<b>Base Salary <sup>(1)</sup></b>
Fred P. Lampropoulos	\$ 1,800,000
Raul Parra	\$ 600,000
Neil W. Peterson	\$ 600,000
Joseph C. Wright	\$ 700,000
Brian G. Lloyd	\$ 600,000
Ronald A. Frost	\$ 403,846 <sup>(2)</sup>

- (1) The base salary amounts shown above reflect amounts paid to the NEOs during 2022 as reported in the Summary Compensation Table shown on page 59. The annual base salary amounts for fiscal year 2023 as approved by the Compensation Committee and the Board are: Mr. Lampropoulos, \$1,890,000; Mr. Parra \$630,000; Mr. Peterson, \$630,000; Mr. Wright \$700,000; and Mr. Lloyd \$630,000.
- (2) Base salary amount shown for Mr. Frost reflects amounts paid to Mr. Frost for periods prior to his separation from the Company effective August 26, 2022.

### Long-Term Incentive Compensation

Historically, long-term equity awards, in the form of stock options, have been granted at the discretion of the Board and Compensation Committee to the NEOs annually in an effort to provide long-term performance-based compensation, to encourage the NEOs to continue their engagement with the Company throughout the vesting periods, and to align management and shareholder interests. Beginning with our 2019 fiscal year, long-term equity awards were made under the 2018 Incentive Plan, and the Compensation Committee anticipates such awards will continue to be made under the 2018 Incentive Plan. Although we have traditionally made long-term equity incentive awards to our NEOs solely in the form of stock options, during 2019, the Compensation Committee developed a program, which was implemented in 2020 and continued through 2022, to grant to the Company's executive officers long-term equity awards in the form of stock options and PSUs, with the objective of more closely aligning management and shareholder interests. For 2022, the Board and Compensation Committee awarded stock options to each NEO at a level of approximately 40% of the total target long-term incentive compensation amount for each NEO, with the remaining portion (approximately 60%) of the NEO's long-term incentive compensation amount awarded in the form of PSUs.

In making awards under our 2018 Incentive Plan, the Board and Compensation Committee consider grant size, the appropriate combination of equity-based awards, the impact of the grant on our financial performance (as determined in accordance with the requirements of the Financial Accounting Standards Board ASC Topic 718 ([ASC Topic 718](#))), and the corresponding compensation value used by the Company in determining the amount of the awards (which may vary from the ASC Topic 718 expense).

Generally, the amount of long-term equity awards granted to the NEOs has been based upon the Compensation Committee's assessment of each NEO's expected future contributions to the Company and other factors. The amount or existence of those awards may also be influenced by external factors such as general economic or industry-specific conditions. The Compensation Committee generally grants long-term equity awards at its regularly-scheduled meeting held in February or May of each year but may vary the date of grant from year to year.

**Performance Stock Units (PSUs)**

During 2019, the Compensation Committee, in consultation with Pearl Meyer, developed a program to grant to the Company's executive officers equity awards under our 2018 Incentive Plan consisting in part of PSUs, with the objective of more closely aligning management and shareholder interests. Subject to the terms and conditions of PSU award agreements executed with the Company's executive officers, each executive officer is entitled to receive a payment in shares of Common Stock based upon the target number of shares, as determined by the Compensation Committee and set forth in the executive's PSU award agreement (**Target PSU Shares**), and the Company's performance during the applicable performance period with respect to the achievement of (a) free cash flow (**FCF**) targets (Free Cash Flow is calculated as GAAP operating cash flow less GAAP capital expenditures, adjusted for the cash effect of any non-GAAP adjustments to the Company's financial statements, as further defined in the PSU award agreements) and (b) targeted levels of the Company's relative total shareholder return (**rTSR**) compared to the Russell 2000 index as further defined in the PSU award agreements (collectively, the **Performance Goals**).

To reward NEOs for long-term performance, the program developed by the Compensation Committee aims to only grant PSUs with a three-year performance period. However, during the first two years of this new program (2020 and 2021), PSUs with one- and two-year performance periods were granted to help transition into this long-term approach of having PSUs with only a three-year performance period. Commencing in 2022, PSUs awarded to the NEOs have had three-year performance periods.

The actual number of shares of Common Stock to be issued to each executive officer under their PSUs will be determined at the end of each applicable performance period by the Compensation Committee by multiplying (i) the Target PSU Shares for that performance period by (ii) the applicable FCF and rTSR multipliers, based on the Company's performance during the applicable performance period. The Compensation Committee has the sole authority and discretion to determine the achievement level with respect to the number of shares of Common Stock earned at the end of each performance period. The Compensation Committee consulted with Pearl Meyer in determining the target long-term incentive compensation levels for the NEOs, from which the Compensation Committee established the target number of shares of Common Stock subject to the PSU awards granted to each of the NEOs in 2022.

During 2022, the NEOs were granted PSUs with the following Target PSU Shares:

Named Executive Officer	Target PSU Shares	Total Grant Date Fair Value of Target PSU Shares (\$)
	Three-Year Performance Period (2022-2024)	
Fred P. Lampropoulos	12,302	917,852
Raul Parra	8,304	619,561
Neil W. Peterson	4,613	318,112
Joseph C. Wright	4,613	344,176
Brian G. Lloyd	4,613	344,176
Ronald A. Frost <sup>(1)</sup>	4,613	344,176

(1) Mr. Frost's employment with the Company terminated on August 26, 2022, at which time all PSU awards granted to him during 2022 were forfeited.

The actual shares of Common Stock to be issued upon settlement of the PSUs depend on the Company's level of performance during the applicable performance period. If the Company's performance during a performance period does not meet or exceed the applicable FCF Metric Threshold, no shares of Common Stock will be issued or paid out with respect to the PSUs for such performance period. The actual number of shares of Common Stock issued upon settlement of the PSUs will be determined by multiplying the total Target PSU Shares by the applicable FCF Multiplier (determined on an interpolated linear basis if between the threshold and target or between the target and maximum) and the applicable rTSR Multiplier from the tables below:

## EXECUTIVE COMPENSATION AND RELATED MATTERS

*FCF Metrics and Multiplier*

FCF Metric Level	FCF Metric Amount	FCF Multiplier
Maximum	120% of Target	200%
Target	100% of Target	100%
Threshold	80% of Target	50%

*rTSR Metric and Multiplier*

rTSR Metric Level	rTSR Multiplier
1 <sup>st</sup> (Top) Quartile	125%
2 <sup>nd</sup> Quartile	100%
3 <sup>rd</sup> Quartile	100%
4 <sup>th</sup> (Bottom) Quartile	75%

Because our CEO is a substantial shareholder of the Company and, by virtue of his ownership of Common Stock, his financial interests are closely aligned with the interests of other Company shareholders, the Compensation Committee determined to provide in his PSU award agreements that approximately 55% of the targeted award amount, if any, earned by him at the end of the applicable performance periods would be paid in cash in lieu of the issuance of a portion of the shares of Common Stock that otherwise would have been awarded under his PSU award agreements. Accordingly, the PSUs awarded to our CEO also include a feature providing for the payment of a long-term cash award based on the degree of attainment of the same designated Performance Goals that apply to the award and issuance of shares of Common Stock under the PSUs (each a [PSU Cash Incentive](#)). The actual amount of a PSU Cash Incentive to be paid is determined by multiplying the Target Cash Incentive provided in the PSU award agreement ([Target Cash Incentive](#)) by the same FCF Multiplier and rTSR Multiplier that are used to determine the number of shares of Common Stock issued under the PSUs (from the tables above). The Target Cash Incentive included in the CEO's PSU award is as follows:

Target Cash Incentive Three-Year Performance Period (2022-2024)
\$1,000,000

If the Company's performance during a performance period does not meet or exceed the FCF Metric Threshold, no PSU Cash Incentive will be paid with respect to the CEO's PSUs for such performance period.

To be eligible to receive any shares of Common Stock or, if applicable, payment of a PSU Cash Incentive under the PSUs, the executive in question must remain employed by the Company until the second day of the calendar year following the end of the applicable performance period ([Vesting Date](#)). However, a pro rata portion may be paid after the end of the applicable performance period if, before the Vesting Date and at least one year after the PSU grant date, the executive (i) ceases employment on account of his or her death or disability (as defined in the PSU award agreements), (ii) is involuntarily terminated from employment without Cause (as defined in the award agreements), or (iii) resigns from employment for Good Reason (as defined in the PSU award agreements).

If the Company experiences a Change in Control (as defined in the award agreements), the NEOs shall receive the total Target PSU Shares (and the CEO shall also receive the Target Cash Incentive) within thirty (30) days of such Change in Control regardless of the level of interim performance attained with respect to the applicable Performance Goals.

EXECUTIVE COMPENSATION AND RELATED MATTERS

2022 PSU Award Determinations

The Compensation Committee and the Board determined that the maximum level for the FCF Metric had been met with respect to the Three-Year Performance Period for the PSUs granted in 2020 and the Two-Year Performance Period for the PSUs granted in 2021, as summarized below:

FCF Metric Level	2020 PSU grants - FCF goals	Actual Non-GAAP FCF Achieved	FCF Multiplier
Maximum	\$175,200,000		
Target	\$146,000,000	\$389,000,000	200%
Threshold	\$116,800,000		

FCF Metric Level	2021 PSU grants - FCF goals	Actual Non-GAAP FCF Achieved	FCF Multiplier
Maximum	\$228,000,000		
Target	\$190,000,000	\$270,000,000	200%
Threshold	\$152,000,000		

The Compensation Committee and the Board further determined that the top quartile of the rTSR Metric had been met with respect to the Three-Year Performance Period for the PSUs granted in 2020 and the middle quartile of the rTSR Metric had been met with respect to the Two-Year Performance Period for the PSUs granted in 2021. Accordingly, the following shares were issued to the NEOs in 2023 under the PSU agreements having two and three-year performance periods as follows with respect to the 2020 and 2021 fiscal years:

Named Executive Officer	Year Granted	Target PSU Shares	FCF Metric %	rTSR Metric %	Total Payout %	Number of Shares Issued
Fred P. Lampropoulos	2020	7,071	200%	125%	250%	17,677
	2021	4,741	200%	100%	200%	9,482
Raul Parra	2020	2,651	200%	125%	250%	6,627
	2021	1,778	200%	100%	200%	3,556
Neil W. Peterson <sup>(1)</sup>	2020	-	-	-	-	-
	2021	-	-	-	-	-
Joseph C. Wright	2020	2,651	200%	125%	250%	6,627
	2021	1,778	200%	100%	200%	3,556
Brian G. Lloyd	2020	2,651	200%	125%	250%	6,627
	2021	1,778	200%	100%	200%	3,556

(1) Mr. Peterson was not awarded PSUs prior to his appointment as Chief Operating Officer in April 2022.

The Board determined that the maximum level for the FCF Metric had been met with respect to the Target Cash Incentive for the Three-Year Performance Period for the PSUs granted in 2020 and the Two-Year Performance Period for the PSUs granted in 2021. They further determined that, with respect to the Target Cash Incentive, the top quartile of the rTSR Metric had been met with respect to the Three-Year Performance Period for the PSUs granted to Mr. Lampropoulos in 2020 and the middle quartile of the rTSR Metric had been met with respect to the Two-Year Performance Period for the PSUs granted to Mr. Lampropoulos in 2021. Accordingly, the Company paid a PSU Cash Incentive of \$1,500,001 to Mr. Lampropoulos in 2022 as follows:

Named Executive Officer	Year Granted	Target Cash Incentive	FCF Metric %	rTSR Metric %	PSU Cash Incentive
Fred P. Lampropoulos	2020	\$333,334	200%	125%	\$833,335
	2021	\$333,333	200%	100%	\$666,666

## EXECUTIVE COMPENSATION AND RELATED MATTERS

**Stock Options**

During 2022, the Compensation Committee granted non-statutory stock option awards to NEOs under the 2018 Incentive Plan in the following amounts:

<b>Named Executive Officer</b>	<b>Number of Options Granted (#)</b>	<b>Grant Date Fair Value (\$)</b>
Fred P. Lampropoulos	48,566	1,199,993
Raul Parra	14,570	360,003
Neil W. Peterson	-	-
Joseph C. Wright	8,094	199,991
Brian G. Lloyd	8,094	199,991
Ronald A. Frost <sup>(1)</sup>	8,094	199,991

- (1) Mr. Frost's employment with the Company terminated on August 26, 2022, at which time all stock options granted to him during 2022 were forfeited.

The stock options were awarded at an exercise price of \$65.03 per share of Common Stock, the per share market closing price of a share of Common Stock on the date of grant. The 2022 stock option grants vest and become exercisable over a four-year period on each of the first through fourth anniversaries of the date of grant.

**Annual Performance Cash Bonuses and Executive Bonus Plan**

Our general practice is to provide our NEOs with the opportunity to earn annual performance bonus compensation under a program that recognizes attainment of key objectives. The key objectives that underlie our annual incentive compensation programs are established annually by the Compensation Committee based upon recommendations made by the CEO, and may vary between years and between NEOs, but generally include objectives that reward attainment of targeted levels of sales, earnings and gross margins.

After reviewing our executive incentive compensation practices, and based upon the preferences communicated by the institutional shareholder community, in 2019 our Board adopted the Merit Medical Systems, Inc. Executive Bonus Plan ([Executive Bonus Plan](#)). The purposes of the Executive Bonus Plan are to motivate and reward our executive employees by making a portion of their annual cash compensation dependent on the achievement of certain pre-determined corporate performance goals, to align the interests of those executives with those of our shareholders, and to attract and retain superior executive employees by providing a competitive bonus program that rewards outstanding performance. The Executive Bonus Plan is administered by the Compensation Committee. Each year, the Compensation Committee establishes a target bonus amount (based on a certain percentage of base salary) and performance criteria and goals for each participating executive officer. At the conclusion of such year, the Compensation Committee will determine the bonus amount payable to each participating executive officer and we will pay to the executive officer the determined bonus amount not later than the 15th day of the third month following the conclusion of the applicable year. In determining the amount of each award to be paid, the Compensation Committee may reduce, eliminate or increase the amount of an Award if, in its discretion, such reduction, elimination or increase is appropriate. The amounts payable to executive officers participating in the Executive Bonus Plan will be determined and allocated based on the performance criteria established for the applicable year, and our performance relative to those criteria.

In setting the performance bonus amounts that an NEO is eligible to earn for achieving specified objectives, the Compensation Committee and the CEO consider bonus and total cash compensation levels for each NEO. Although bonus opportunities for achieving objectives are generally established for each NEO based on job scope and contribution, the Compensation Committee retains discretion to positively or negatively adjust performance bonus amounts based on factors that are not included in the pre-determined objectives. NEOs also have the opportunity to earn additional discretionary bonuses for extraordinary performance, as determined by the Compensation Committee.

EXECUTIVE COMPENSATION AND RELATED MATTERS

The decision as to whether to provide an annual performance bonus program to any NEO for any year, the type and funding of any program offered, and the objectives that underlie any program, are subject to the discretion of the Compensation Committee, taking into account the recommendation of the CEO and industry-specific conditions existing during the applicable year. The Compensation Committee may also exercise positive or negative discretion based on its assessment of the individual NEO's contribution and accountability for the objectives that are the subject of the bonus recommendations from the CEO and any other factors the Compensation Committee considers relevant.

For 2022, the Compensation Committee established incentive cash performance bonus objectives for the NEOs. The incentive cash performance bonus objectives for the NEOs were based on sales, operating margin (calculated on a non-GAAP basis), earnings per share (calculated on a non-GAAP basis) and achievement of the following two equally-weighted operational targets linked to our Foundations for Growth program:

- realization of \$3.0 million in reduced manufacturing expenses; and
- generation of \$6.0 million in product pricing growth.

For 2022, the Compensation Committee established the performance range for the Executive Bonus Plan to provide for incentive cash performance payments based on the following levels of attainment of each of the individual bonus objectives:

- less than 92.5% attainment = no payout
- 92.5% attainment = 50% payout
- 100% attainment = 100% payout
- 110% attainment = 125% payout
- 120% attainment = 150% payout (cap)

The specific 2022 performance bonus objectives established by the Compensation Committee together with the level of our actual 2022 performance in those categories, were as follows.

Performance Bonus Objectives	2022 Goals	2022 Results	Target Weight	Attainment
Sales	\$1,140M	\$1,151M	35%	35.84%
Operating Margin (Non-GAAP) <sup>(1)</sup>	17.25%	16.5% <sup>(2)</sup>	30%	21.85%
Earnings Per Share (Non-GAAP) <sup>(3)</sup>	\$2.56	\$2.70	20%	22.73%
FFG Manufacturing Footprint	\$3M	Fully Missed	7.5%	0.00%
FFG Pricing Growth	\$6M	Exceeded	7.5%	11.25% <sup>(4)</sup>
			<b>Total Attainment</b>	<b>91.67%</b>

(1) Non-GAAP operating income is calculated by adjusting GAAP operating income for certain items which are deemed by Merit's management to be outside of core operations and vary in amount and frequency among periods, such as expenses related to acquisitions or other extraordinary transactions, non-cash expenses related to amortization or write-off of previously acquired tangible and intangible assets, certain severance expenses, performance-based stock compensation expenses, corporate transformation expenses, expenses resulting from non-ordinary course litigation or administrative proceedings and resulting settlements, governmental proceedings, and changes in governmental or industry regulations, as well as other items. Non-GAAP operating margin is calculated by dividing non-GAAP operating income by reported net sales. See "Non-GAAP Financial Measures" presented on page 82 of this Proxy Statement for additional information.

EXECUTIVE COMPENSATION AND RELATED MATTERS

- (2) For purposes of determining amounts payable to the NEOs pursuant to the Executive Bonus Plan for 2022, the Compensation Committee exercised negative discretion to set the calculation of operating margin performance at a level equal to the calculation of operating margin performance for purposes of the Company's Global Bonus Plan for non-executive employees.
- (3) Non-GAAP Earnings Per Share is calculated as GAAP net income excluding items set forth in the definition of non-GAAP operating income above, as well as for expenses related to debt issuance costs, gains or losses on disposal of certain assets, changes in tax regulations, and other items. All excluded items are tax affected and total Non-GAAP net income is divided by the weighted average diluted shares outstanding. See "Non-GAAP Financial Measures" presented on page 82 of this Proxy Statement for additional information.
- (4) Payout factor capped at 150%.

Based on the attainment level calculated above and the target bonus amounts set by the Compensation Committee, each NEO received performance-based bonus payments under the Executive Bonus Plan as follows:

Named Executive Officer	Performance			
	2022 Base Salary	Bonus Target	Attainment	Performance Bonus Payment <sup>(1)</sup>
Fred P. Lampropoulos	\$ 1,800,000	60%	91.67%	\$ 990,036
Raul Parra <sup>(2)</sup>	600,000	50%	91.67%	\$ 275,010
Neil W. Peterson	600,000	40%	91.67%	\$ 220,008
Joseph C. Wright <sup>(3)</sup>	700,000	40%	91.67%	\$ 201,674
Brian G. Lloyd	600,000	40%	91.67%	\$ 220,008

- (1) These amounts are shown in the "Non-Equity Incentive Plan Compensation" column in the Summary Compensation Table below.
- (2) For the year ended December 31, 2022, the Compensation Committee increased the performance bonus target for Mr. Parra, reflecting his anticipated contributions to the achievement of the performance bonus objectives under the Executive Bonus Plan and his role in accomplishing the Company's Foundations for Growth initiatives.
- (3) In connection with Mr. Wright's appointment as interim Chief Commercial Officer in November 2021, his 2022 base salary was temporarily increased to \$700,000; however, his 2022 bonus payment was based on his prior base salary of \$550,000. Upon Mr. Wright's appointment as Chief Commercial Officer in November 2022, his base salary of \$700,000 was affirmed. Future payments to Mr. Wright under the Executive Bonus Plan will be based on the affirmed base salary.

**Return of Incentive Compensation ("Clawback Policy")**

The Executive Bonus Plan provides to our Board the authority to obtain reimbursement from any participant in the plan if the Board determines that: (a) a significant restatement of the Company's financial results for any of the three prior fiscal years is required; and (b) the participant's award amount would have been lower had the financial results been properly calculated. Such reimbursement shall consist of any portion of any award previously paid to such participant that is greater than the award that would have been paid if calculated based upon the restated financial results. The action permitted to be taken by the Board under the Executive Bonus Plan is in addition to, and not in lieu of, any and all other rights of the Board and/or the Company under applicable law or any other clawback or similar policy of the Company. The PSU agreements which are part of the long-term equity incentive program under the 2018 Incentive Plan which our Compensation Committee implemented in 2020 also include a "clawback" feature which permits our Compensation Committee to recover payments from award recipients if (i) the payment was predicated upon achieving financial results that were subsequently the subject of a restatement of the Company's financial statements filed with the SEC; (ii) the Compensation Committee determines that the recipient engaged in intentional misconduct, gross negligence or fraudulent or illegal conduct that caused or substantially caused the need for the restatement; and (iii) a lower amount would have been paid to the recipient based upon the restated financial results.



### **Discretionary Bonuses**

In addition to the cash bonus opportunities under the Executive Bonus Plan described above, the Compensation Committee (with the input of the CEO) may choose to reward extraordinary performance and achievements by awarding discretionary bonuses to the NEOs and other executives from time to time that are not part of the annual incentive plan or any other plan. **The Compensation Committee did not determine to pay any discretionary bonuses to the NEOs for the year ended December 31, 2022.** There is no standing expectation that all (or any) NEOs will receive discretionary performance bonuses in any particular year, and the criteria for such bonuses are not established in advance.

### **Broad-Based Benefits Programs**

We offer multiple broad-based benefits programs to our employees, including our NEOs. Those programs include benefits such as health, dental, vision, disability and life insurance, health savings accounts, health care reimbursement accounts, employee stock purchase plan, paid vacation time and discretionary Company contributions to a 401(k) profit sharing plan.

Benefits are provided to our NEOs in accordance with practices the Compensation Committee believes are consistent with industry standards. The Compensation Committee believes such benefits are a necessary element of compensation in attracting and retaining employees. In addition, the NEOs receive limited perquisites in an attempt to achieve a competitive pay package, as further detailed in the Summary Compensation Table.

### **Deferred Compensation Plan**

We provide a non-qualified deferred compensation plan for the benefit of certain of our highly-compensated executives, including the NEOs. Under the non-qualified deferred compensation plan, eligible participants may elect in advance of each calendar year to defer up to 100% of their cash salary and bonus compensation earned with respect to such year. Amounts deferred are credited to an unfunded liability account maintained by the Company on behalf of the applicable participant, which account is deemed invested in and earns a rate of return based upon certain notational and self-directed investment options offered under the plan. In our discretion, we may elect to credit each eligible participant's account under the deferred compensation plan with an employer matching contribution but, to date, we have never elected to do so. Participant account balances under the deferred compensation plan are fully-vested and will be paid by the Company to each participant upon retirement or separation from employment, or on other specified dates, in a lump sum or in installments according to a schedule elected in advance by the participant.

The Company and its subsidiaries do not maintain any other executive pension or retirement plans for the NEOs.

### **Employment Agreements**

The Compensation Committee has determined that executive employment agreements are necessary to provide competitive compensation arrangements to our NEOs, particularly because such agreements are common in our industry. Moreover, the Compensation Committee believes that the change in control provisions within the executive employment agreements help to retain the NEOs by reducing personal uncertainty and anxiety that may arise from the possibility of a future business combination.

## EXECUTIVE COMPENSATION AND RELATED MATTERS

We have entered into employment agreements (collectively, [Employment Agreements](#)) with each of the NEOs. The annual base salaries paid under the Employment Agreements for 2022 were:

<b>Named Executive Officer</b>	<b>Base Salary<sup>(1)</sup></b>
Fred P. Lampropoulos	\$ 1,800,000
Raul Parra	\$ 600,000
Neil W. Peterson	\$ 526,308
Joseph C. Wright	\$ 700,000
Brian G. Lloyd	\$ 600,000
Ronald A. Frost	\$ 403,846 <sup>(2)</sup>

- (1) The base salary amounts shown above reflect amounts paid to the NEOs during 2022 as reported in the Summary Compensation Table shown on page 59. The annual base salary amounts for fiscal year 2023 as approved by the Compensation Committee are: Mr. Lampropoulos, \$1,890,000; Mr. Parra \$630,000; Mr. Peterson, \$630,000; Mr. Wright, \$700,000; and Mr. Lloyd, \$630,000.
- (2) The base salary amount shown for Mr. Frost reflects amounts paid to Mr. Frost for periods prior to his separation from the Company in August 2022.

The amount of the base salary payable to each NEO may be subject to change based on review by the Compensation Committee on an annual basis. Although the employment status of each of the NEOs is “at will,” the Employment Agreements provide for mandatory severance payments to each NEO in the event the NEO’s employment terminates for certain reasons in connection with a “Change in Control” (as defined below). Those severance arrangements are discussed in greater detail below under the heading “Executive Compensation Tables—Potential Payments upon Termination or Change in Control.”

In addition to the annual base salary described above, the Employment Agreements also allow the NEOs to receive an annual cash bonus payment in an amount to be determined in the sole discretion of the Board (which has delegated that authority to the Compensation Committee). Notably, in fiscal years ending after a Change in Control, the annual bonus must be at least equal to an NEO’s average annual cash bonus for the last three full fiscal years ending prior to the Change in Control.

The NEOs (and to the extent applicable, their spouses and eligible dependents) are eligible to participate in all incentive, savings and retirement, health insurance, term life insurance, long-term disability insurance, deferred compensation, employee stock purchase and other employee benefit plans, policies or arrangements we maintain for our employees generally and, at the discretion of the Compensation Committee, in the 2018 Incentive Plan and other benefit plans maintained by the Company for our executives.

The terms of the Employment Agreements reflect in part the concern of the Compensation Committee that a future threatened or actual change in control, such as through an acquisition or merger, could cause disruption and harm to the Company in the event of the resulting loss of any of its key executives. The change in control provisions in the Employment Agreements are intended to provide a measure of incentive and security to our key executives until the resolution of any such threatened or actual change in control.

However, the Compensation Committee believes that such agreements should not include provisions that would obligate a potential acquirer of the Company to make large payouts to the NEOs simply because a change in control has occurred. Because of this concern, the occurrence of a change in control event alone will not trigger any payment obligations to the NEOs under their respective Employment Agreements. Additional change in control payment obligations under the Employment Agreements only arise in the event the NEO’s employment is terminated “without Cause” in connection with the change in control or the NEO resigns “for Good Reason” (with each capitalized term in this sentence defined in the Employment Agreements and described under the heading “Potential Payments Upon Termination or Change in Control—Employment Agreements” below) in connection with a change in control. Thus, the Compensation Committee regards the employment agreements as “double trigger” change in control agreements.

## Tax Deductibility and Executive Compensation

Section 162(m) ([Section 162\(m\)](#)) of the Code imposes a \$1.0 million annual limit on the amount that a public company may deduct for compensation paid to certain of a company's officers including its chief executive officer, chief financial officer, or any of the company's three other most highly compensated executive officers for a tax year. For tax years beginning before 2018, the limit did not apply to compensation that met the requirements of Section 162(m) for "qualified performance-based" compensation (i.e., compensation paid only if the executive meets pre-established, objective goals based upon performance criteria approved by our shareholders). Qualified performance-based awards, such as stock options, issued prior to 2018 remain under certain conditions exempt from Section 162(m) even if exercised after 2017. Because of limited guidance regarding this transition rule, we cannot provide any assurance that it will apply to stock options issued prior to 2018 and exercised after 2017.

The Compensation Committee reviews and considers the deductibility of executive compensation under Section 162(m) and, to the extent practical, attempts to implement compensation policies and practices that maximize the potential income tax deductions available to the Company.

In certain situations, the Compensation Committee may approve compensation that will exceed the deduction limitations of Section 162(m) in order to ensure competitive levels of total compensation for its executive officers. In such situations, the portion of the compensation payable to the executive officer that exceeds the \$1.0 million limit will not be deductible for tax purposes. Although deductibility of executive compensation for tax purposes is generally preferred, tax deductibility is not the primary objective of our executive compensation programs. The Company and the Compensation Committee believe that meeting the compensation objectives described above is more important than the benefit of being able to deduct the compensation for tax purposes.

All compensation paid to the NEOs, other than Mr. Lampropoulos, during 2022 was intended to be deductible under Section 162(m). Although Mr. Lampropoulos' compensation for 2022 exceeded the deduction limits of Section 162(m), the Compensation Committee approved that compensation amount in order to provide Mr. Lampropoulos with a compensation package that the Compensation Committee considers competitive and in the best interests of the Company and its shareholders.

Additionally, under Sections 280G and 4999 of the Code, our NEOs and other Company executives may be subject to additional taxes if they receive payments or benefits in connection with a change of control of the Company that exceed certain prescribed limits (so-called [Excess Parachute Payments](#)), and the Company or its successor may not deduct such Excess Parachute Payments. The Company is not obligated to provide any NEO or other executive with a "gross-up" or other reimbursement payment for any tax liability that the executive might owe as a result of the application of Sections 280G or 4999 of the Code. Certain potential future payments described in the table captioned "Termination Without Cause or For Good Reason in Connection with a Change in Control" on page 67 may, however, constitute Excess Parachute Payments that the Company or its successor could not fully deduct.

## Compensation Policies and Practices Relating to Risk Management

The Compensation Committee has reviewed our company-wide compensation program, which applies to all of our full-time employees, including the NEOs. The Compensation Committee has also reviewed our executive compensation practices with Pearl Meyer. Based on the Compensation Committee's review of the various elements of our executive compensation practices and policies, the Compensation Committee believes our compensation policies and practices are designed to create appropriate and meaningful incentives for our employees without encouraging excessive or inappropriate risk taking.

After undertaking this review, the Compensation Committee came to the following conclusions:

- our compensation policies and practices are designed to include a significant level of long-term compensation, which discourages short-term risk taking;

## EXECUTIVE COMPENSATION AND RELATED MATTERS

- the base salaries we provide to our executive employees are generally consistent with salaries paid for comparable positions in our industry, and provide our employees with steady income while reducing the incentive for employees to take risks in pursuit of short-term benefits;
- our incentive compensation for our NEOs is capped at levels established by the Compensation Committee, which it believes reduces the incentive for excessive risk-taking;
- we use different performance metrics in our Executive Bonus Plan and for our PSUs, providing balance and mitigating against taking undue risk to meet a single goal;
- Executive Bonus Plan payments and PSU awards are subject to clawback in the event of a material restatement of our financial results and in certain other cases;
- our stock-based long-term incentives either vest or are earned over a multi-year period, providing upside potential while at the same time requiring our NEOs to bear the economic risk of the award over the vesting period;
- we have established and adopted codes of ethics and business conduct, which are designed to reinforce the balanced compensation objectives established by the Compensation Committee;
- we have adopted equity ownership guidelines for our CEO, which the Compensation Committee believes discourages excessive risk-taking; and
- our CEO owns a significant number of shares of Common Stock, which serve to align his interests with the interests of the Company's shareholders and discourages excessive risk-taking.

Based on the review outlined above, the Compensation Committee has further concluded that the risks arising from our compensation policies and practices for its employees are not reasonably likely to have a material adverse effect on the Company.

## Compensation Committee Report

The Compensation Committee establishes and oversees the design and function of our executive compensation programs.

The members of the Compensation Committee have reviewed and discussed the foregoing Compensation Discussion and Analysis with the management of the Company and recommended to the Board that the Compensation Discussion and Analysis be included in this Proxy Statement.

### **COMPENSATION COMMITTEE:**

A. Scott Anderson (Chair)

F. Ann Millner, Ed. D.

Lonny J. Carpenter

Stephen C. Evans

James T. Hogan

**PROPOSAL 2: Advisory Vote on Executive Compensation**

**The Board unanimously recommends a vote FOR this proposal**



Section 14A of the Exchange Act ([Section 14A](#)), which was enacted pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act, requires that we provide shareholders with the opportunity to vote on an advisory (non-binding) resolution to approve the compensation of the NEOs disclosed in this Proxy Statement (colloquially referred to as a “Say-on-Pay” proposal).

Accordingly, the following resolution will be submitted to our shareholders for approval at the Annual Meeting:

“RESOLVED, that the Company’s shareholders APPROVE, on an advisory basis, the compensation of the named executive officers, as disclosed in the Company’s proxy statement for the 2023 Annual Meeting of Shareholders, pursuant to the compensation disclosure rules of the U.S. Securities and Exchange Commission, including the Compensation Discussion and Analysis, the Summary Compensation Table and the other related tables and disclosures.”

As described above under the heading “Compensation Discussion and Analysis,” the Board believes our compensation of the NEOs achieves the primary goals of:

- focusing our executives on achieving or exceeding measurable performance targets;
- encouraging continuation of our entrepreneurial spirit;
- attracting and retaining highly-qualified and motivated executives;
- promoting our guiding principles for adherence to a high ethical environment, as well as health and safety standards; and
- aligning management compensation with shareholder value.

The Board encourages shareholders to review in detail the Compensation Discussion and Analysis beginning on page 40 of this Proxy Statement and the executive compensation tables beginning on page 59 of this Proxy Statement. In light of the information set forth in such sections, the Board believes the compensation of the NEOs for the fiscal year ended December 31, 2022 was fair and reasonable and that our compensation programs and practices are in the best interests of the Company and our shareholders.

The advisory vote on this Say-on-Pay resolution is not intended to address any specific element of compensation; rather, the vote relates to all aspects of the compensation of the NEOs, as described in this Proxy Statement. While this vote is only advisory in nature, which means that the vote is not binding on the Company, the Board or the Compensation Committee (which is composed solely of independent directors), the Board and Compensation Committee value the opinion of our shareholders and will consider the outcome of the vote when addressing future executive compensation arrangements.

At our annual meeting of shareholders held on May 24, 2017, our shareholders voted on an advisory basis with respect to the frequency of future advisory votes on executive compensation. Holders of approximately 77% of the shares represented at that meeting expressed their preference for an annual advisory vote. Accordingly, we have conducted annual advisory votes on executive compensation since that meeting. The frequency of future advisory votes on executive compensation is the subject of Proposal 3 to be considered by the Company’s shareholders at the Annual Meeting.

EXECUTIVE COMPENSATION AND RELATED MATTERS

Approval of the resolution above (on a non-binding, advisory basis) requires that the number of votes cast at the Annual Meeting, in person or by proxy, in favor of the resolution exceeds the number of votes cast in opposition to the resolution.

## EXECUTIVE COMPENSATION TABLES

### Summary Compensation Table

The following Summary Compensation Table summarizes the total compensation earned by each of the NEOs for the years indicated.

Name and Position	Year	Salary	Bonus	Stock Awards	Option Awards	Non-Equity Incentive Plan Compensation	All Other Compensation	Total
		(\$)	(\$) <sup>(1)</sup>	(\$) <sup>(2)(3)(4)</sup>	(\$) <sup>(4)(5)</sup>	(\$) <sup>(6)</sup>	(\$) <sup>(7)(8)(9)</sup>	(\$) <sup>(3)</sup>
<b>Fred P. Lampropoulos</b> <i>Chair of the Board, CEO and President</i>	2022	1,800,000	—	4,130,104	1,199,993	990,036	8,700	8,128,833
	2021	1,800,000	458,501	2,946,700	1,200,059	1,131,840	—	7,537,100
	2020	1,736,538	—	3,778,119	1,198,851	990,000	—	7,703,508
<b>Raul Parra</b> <i>Chief Financial Officer and Treasurer</i>	2022	600,000	—	1,239,123	360,003	275,010	53,339	2,527,475
	2021	600,000	101,889	491,090	200,020	251,520	57,980	1,702,499
	2020	586,154	—	693,623	199,804	210,000	66,735	1,756,316
<b>Neil W. Peterson</b> <i>Chief Operating Officer (10)</i>	2022	526,308	—	636,225	—	220,008	50,309	1,432,850
	2021	—	—	—	—	—	—	—
	2020	—	—	—	—	—	—	—
<b>Joseph C. Wright</b> <i>Chief Commercial Officer</i>	2022	700,000	—	688,352	199,991	201,674	68,920	1,858,937
	2021	573,077	93,398	491,090	200,020	230,560	51,704	1,639,849
	2020	537,307	—	693,623	199,804	211,501	43,075	1,685,310
<b>Brian G. Lloyd</b> <i>Chief Legal Officer, Corporate Secretary</i>	2022	600,000	—	688,352	199,991	220,008	28,653	1,737,004
	2021	600,000	101,889	491,090	200,020	251,520	11,885	1,656,404
	2020	586,154	—	693,623	199,804	210,000	—	1,689,581
<b>Ronald A. Frost</b> <i>Former Chief Operating Officer (10)</i>	2022	403,846	—	688,352	199,991	—	1,607,252	2,899,441
	2021	600,000	101,889	491,090	200,020	251,520	69,230	1,713,749
	2020	586,154	—	693,623	199,804	210,000	69,231	1,758,812

- (1) Bonus amounts represent discretionary bonuses not based solely upon pre-determined performance criteria.
- (2) Stock Awards include the aggregate grant date fair value of PSUs granted to the NEOs in the year shown under our 2018 Incentive Plan computed in accordance with ASC Topic 718, including the portion of Mr. Lampropoulos' PSU payable in cash (i.e., his PSU Cash Incentive). Such amounts have been calculated in accordance with current financial statement reporting guidance, using the same assumptions the Company used on the grant date for financial statement reporting purposes with respect to our long-term incentive plans, which may not be indicative of the realized value of the awards when they vest. The grant-date fair value of PSUs granted to Mr. Lampropoulos in 2022 includes \$1,835,704 of shares and \$2,294,400 of potential PSU Cash Incentive, in 2021 includes \$1,309,633 of shares and \$1,637,067 of potential PSU Cash Incentive, and in 2020 includes \$1,849,806 of shares and \$1,928,313 of potential PSU Cash Incentive. See footnote 1 to the Grants of Plan-Based Awards table for additional details. The table below shows the Free Cash Flow multiplier that was

EXECUTIVE COMPENSATION AND RELATED MATTERS

assessed as probable as of each grant date and the grant date fair value of stock awards based on maximum potential attainment.

Description	2022	2021	2020
Probable Grant-Date Free Cash Flow Multiplier	200%	150%	200%
Maximum Grant-date fair value of shares-Mr. F. Lampropoulos	\$1,835,704	\$1,746,178	\$1,849,806
Maximum Grant-date fair value of PSU cash incentive -Mr. F. Lampropoulos	\$2,294,400	\$2,182,755	\$1,928,313
Maximum Grant-date fair value of shares-Parra	\$1,239,123	\$654,786	\$693,623
Maximum Grant-date fair value of shares-Messrs. Lloyd, Wright and Frost	\$688,352	\$654,786	\$693,623
Maximum Grant-date fair value of shares-Peterson	\$636,225	-	-

- (3) On June 22, 2020, we amended the one-year performance period PSU award agreements granted in 2020 for all NEOs to reduce the maximum FCF Multiplier and the FCF Metric amount. There was no incremental fair value recorded in accordance with ASC Topic 718 in connection with this modification, as this amendment reduced the grant date fair value of equity classified awards by \$307,137 for Mr. Lampropoulos, and by \$115,176 for Messrs. Parra, Wright, Lloyd and Frost. Because ASC Topic 718 does not permit a reduction in compensation cost below the value established at the grant date for equity classified awards, pursuant to the rules of the SEC, this column reports the grant date fair value of the original PSUs and does not reflect the reduction in grant date fair value of the PSUs resulting from the amendments. These amendments also reduced the fair value of the PSU Cash Incentive to Mr. Lampropoulos under his PSU by \$383,894, which is reflected in the table above, as ASC Topic 718 does permit a reduction in compensation cost below the grant date fair value for liability classified awards. PSUs granted in 2020 with two and three-year performance periods were not amended.
- (4) Assumptions used in the calculation of these amounts for 2022, 2021, and 2020 are included in footnotes to our audited consolidated financial statements for the years ended December 31, 2022, 2021, and 2020 (which are included in our Annual Reports on Form 10-K filed with the SEC on February 24, 2023, March 1, 2022 and March 1, 2021, respectively).
- (5) Option awards reflect the aggregate grant date fair value of the options granted to the NEOs in the year shown under our 2018 Incentive Plan, computed in accordance with ASC Topic 718. Such amounts have been calculated in accordance with current financial statement reporting guidance, using the same assumptions the Company has used for financial statement reporting purposes with respect to our long-term incentive plans.
- (6) Annual Incentive bonuses under our Executive Bonus Plan based on pre-established performance criteria appear in the Non-Equity Incentive Plan Compensation column. Based upon the Company's achievement of goals established by the Compensation Committee, the Compensation Committee determined to award and pay the annual cash bonus at 91.67%, 104.8% and 100% of the target payment amount for each of the NEOs for 2022, 2021 and 2020, respectively. Payment was made in 2023, 2022, and 2021 respectively.
- (7) Amounts include vacation benefits paid to the NEOs in cash in lieu of vacation benefits, as follows:
- for the year ended December 31, 2022: \$44,639 for Mr. Parra; \$41,609 for Mr. Peterson; \$60,220 for Mr. Wright; \$20,781 for Mr. Lloyd; and \$173,552 for Mr. Frost.
  - for the year ended December 31, 2021: \$57,980 for Mr. Parra; \$51,554 for Mr. Wright; \$11,885 for Mr. Lloyd; and \$69,230 for Mr. Frost.
  - for the year ended December 31, 2020: \$66,735 for Mr. Parra; \$43,075 for Mr. Wright; and \$69,231 for Mr. Frost.
- (8) Amounts shown also include matching contributions made by the Company for the benefit of the NEOs to the Company's 401(k) Plan in the following amounts:
- for the year ended December 31, 2022: \$8,700 for each of Messrs. Lampropoulos, Parra, Wright, Peterson, and Frost, and \$7,872 for Mr. Lloyd.
  - for the year ended December 31, 2021: \$150 for Mr. Wright.
- (9) Amounts shown also include a severance payment made to Mr. Frost in 2022 for \$1,425,000.
- (10) Mr. Peterson became an executive officer of the Company on April 19, 2022. Mr. Frost resigned his position as an executive officer effective as of April 19, 2022. The foregoing table presents compensation received for the years in which an NEO acted in an executive officer capacity.

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**Grants of Plan-Based Awards**

The following table sets forth information concerning plan-based awards to the NEOs during the year ended December 31, 2022.

Named Executive Officer	Grant Date	Estimated Possible Payouts Under						All other Option Awards: Number of Securities Underlying Options Granted (#) (4)	Exercise Price of Option Awards (\$/sh) (5)	Grant Date Fair Value of Stock and Option Awards (\$) (4)(6)
		Non-Equity Incentive Plan Awards (\$)			Equity Incentive Plan Awards (#) (3)					
		Threshold	Target	Maximum	Threshold	Target	Maximum			
Fred P. Lampropoulos	2/28/2022 (1)	375,000	1,000,000	2,500,000	4,613	12,302	30,755	—	—	4,130,104
	N/A (2)	540,000	1,080,000	1,620,000	—	—	—	—	—	—
	2/28/2022	—	—	—	—	—	—	48,566	65.03	1,199,993
Raul Parra	2/28/2022	—	—	—	3,114	8,304	20,760	—	—	1,239,123
	N/A (2)	150,000	300,000	450,000	—	—	—	—	—	—
	2/28/2022	—	—	—	—	—	—	14,570	65.03	360,003
Neil W. Peterson	5/19/2022	—	—	—	1,730	4,613	11,533	—	—	636,225
	N/A (2)	120,000	240,000	360,000	—	—	—	—	—	—
	N/A	—	—	—	—	—	—	—	—	—
Joseph C. Wright	2/28/2022	—	—	—	1,730	4,613	11,533	—	—	688,352
	N/A (2)	110,000	220,000	330,000	—	—	—	—	—	—
	2/28/2022	—	—	—	—	—	—	8,094	65.03	199,991
Brian G. Lloyd	2/28/2022	—	—	—	1,730	4,613	11,533	—	—	688,352
	N/A (2)	120,000	240,000	360,000	—	—	—	—	—	—
	2/28/2022	—	—	—	—	—	—	8,094	65.03	199,991
Ronald A. Frost (7)	2/28/2022	—	—	—	1,730	4,613	11,533	—	—	688,352
	N/A (2)	120,000	240,000	360,000	—	—	—	—	—	—
	2/28/2022	—	—	—	—	—	—	8,094	65.03	199,991

- (1) The PSU agreements with Mr. Lampropoulos include Target PSU Shares and a Target Cash Incentive. Both the Target PSU Shares and Target Cash Incentive are considered part of an equity incentive plan and are accounted for under ASC Topic 718 because they are based, at least in part, on the price of our shares of Common Stock. However, because there is not a stated number of shares underlying the PSU Cash Incentive, the threshold, target, and maximum payments of the PSU Cash Incentive under Mr. Lampropoulos PSUs have been included in this table under the non-equity incentive plan awards column. These amounts are based upon achievement of the performance measures with respect to the PSU awards granted in 2022. The threshold amount assumes threshold FCF performance and application of the 4<sup>th</sup> (bottom) quartile rTSR multiplier, and the maximum amount assumes maximum FCF performance and application of the 1<sup>st</sup> (top) quartile rTSR multiplier. See the section “Performance Stock Units (PSUs)” on page 48 for additional details regarding the PSUs, and footnote 2 to the Summary Compensation Table.
- (2) Listed amounts reflect target and threshold incentive performance bonuses for 2022 under our Executive Bonus Plan. Target amounts also reflect the maximum possible payout. For the year ended December 31, 2022, each of Messrs. Lampropoulos, Parra, Wright, Lloyd and Peterson received 91.67% of the targeted level of their incentive annual performance bonus, as discussed above and as shown in the “Non-Equity Incentive Plan Compensation” column in the Summary Compensation Table.
- (3) Listed amounts reflect threshold, target, and maximum number of shares the named executive officer is eligible to receive based upon achievement of the performance measures with respect to performance stock units granted in 2022. See the section “Performance Stock Units (PSUs)” on page 48 for additional details regarding the PSUs. The threshold amount assumes threshold FCF performance and application of the 4<sup>th</sup> (bottom) quartile rTSR multiplier, and the maximum amount assumes maximum FCF performance and application of the 1<sup>st</sup> (top) quartile rTSR multiplier.
- (4) Stock options are NSOs and vest at the rate of 25% per year over four years on the first through the fourth anniversaries of the date of the grant.
- (5) The exercise price per share for each stock option is the market closing price on the date of the grant.



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- (6) The grant-date fair value of PSUs granted to Mr. Lampropoulos includes \$1,835,704 of shares and \$2,294,400 potential PSU Cash Incentive. See footnote 1 for additional details regarding the PSU cash incentive.
- (7) Mr. Frost's employment with the Company terminated on August 26, 2022, at which time all PSU awards and options granted to him during 2022 were forfeited.

**Outstanding Equity Awards at Year End**

The following table provides information on the holdings of stock options and other stock awards by the NEOs as of December 31, 2022.

Named Executive Officer	Grant Date	Option Awards				Stock Awards			
		Number of Securities Underlying Unexercised Options Exercisable	Number of Securities Underlying Unexercised Options Unexercisable (1)	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock that Have Not Vested (2)(3)	Market Value of Shares or Units of Stock that Have Not Vested (2)(3)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#) (4)	Equity Incentive Plan Awards: Market Value of Unearned Shares, Units or Other Rights That Have Not Vested (\$) (4)
Fred P. Lampropoulos	4/14/2017	200,000	—	28.20	4/14/2024	—	—	—	—
	3/2/2018	30,401	7,601	44.80	3/2/2025	—	—	—	—
	3/1/2019	95,490	63,661	55.73	3/1/2026	—	—	—	—
	2/26/2020	50,168	50,166	37.71	2/26/2027	17,677	2,081,720	—	—
	3/19/2021	14,521	43,562	56.25	3/19/2028	9,482	1,336,285	18,962	2,672,430
	2/28/2022	—	48,566	65.03	2/28/2029	—	—	24,604	3,737,534
Raul Parra	3/2/2018	2,000	2,000	44.80	3/2/2025	—	—	—	—
	3/1/2019	18,000	12,000	55.73	3/1/2026	—	—	—	—
	2/26/2020	8,362	8,360	37.71	2/26/2027	6,627	468,034	—	—
	3/19/2021	2,421	7,260	56.25	3/19/2028	3,556	251,125	7,110	502,108
	2/28/2022	—	14,570	65.03	2/28/2029	—	—	16,608	1,172,857
Neil W. Peterson	4/14/2017	16,000	—	28.20	4/14/2024	—	—	—	—
	3/2/2018	12,000	3,000	44.80	3/2/2025	—	—	—	—
	4/25/2019	12,000	8,000	54.40	4/25/2026	—	—	—	—
	8/19/2021	6,250	18,750	68.33	8/19/2028	—	—	—	—
	2/28/2022	—	—	—	—	—	—	9,226	651,540
Joseph C. Wright	4/14/2017	25,000	—	28.20	4/14/2024	—	—	—	—
	3/2/2018	20,000	5,000	44.80	3/2/2025	—	—	—	—
	3/1/2019	18,000	12,000	55.73	3/1/2026	—	—	—	—
	2/26/2020	8,362	8,360	37.71	2/26/2027	6,627	468,034	—	—
	3/19/2021	2,421	7,260	56.25	3/19/2028	3,556	251,125	7,110	502,108
	2/28/2022	—	8,094	65.03	2/28/2029	—	—	9,226	651,540
Brian G. Lloyd	3/2/2018	20,000	5,000	44.80	3/2/2025	—	—	—	—
	3/1/2019	18,000	12,000	55.73	3/1/2026	—	—	—	—
	2/26/2020	8,362	8,360	37.71	2/26/2027	6,627	468,034	—	—
	3/19/2021	2,421	7,260	56.25	3/19/2028	3,556	251,125	7,110	502,108
	2/28/2022	—	8,094	65.03	2/28/2029	—	—	9,226	651,540

- (1) Unvested stock option awards granted in 2022, 2021 and 2020 vest 25% each year for four years commencing one year from the grant date. All other outstanding stock option awards held by NEOs vest 20% each year for five years commencing one year from the grant date.
- (2) The market value of unvested PSUs is calculated based on a market price of \$70.62 per share, which was the closing price of our Common Stock on December 31, 2022, as reported by Nasdaq.
- (3) Amounts in this column represent PSUs with completed performance periods as of December 31, 2022, and for Mr. Lampropoulos include the cash incentive of \$833,335 for 2020 awards and \$666,666 for 2021 awards. These PSUs and the underlying shares and cash incentive vested and were issued or paid, as applicable, on February 28, 2023.

## EXECUTIVE COMPENSATION AND RELATED MATTERS

- (4) Amounts in this column represent unvested PSUs granted with incomplete performance periods as of December 31, 2022. The figures shown assume that maximum performance is achieved with respect to PSUs issued with ongoing performance periods extending beyond 2022 (including the maximum cash incentives of \$1,333,334 and \$2,000,000 for awards with ongoing performance periods granted to for Mr. Lampropoulos in 2021 and 2022 respectively) without application of the rTSR multiplier. The assumption of maximum performance is based on prior year performance. If maximum performance is achieved (including the maximum rTSR multiplier) the number and market value of shares and the cash incentive to be issued or paid, as applicable, following vesting of these PSUs would be as follows for 2021: Mr. Lampropoulos: 23,703 Shares (\$1,673,871) and \$1,666,668 of PSU Cash Incentive (total of \$3,340,538), Messrs. Parra, Wright and Lloyd: 8,888 shares (\$627,635) and for 2022: Mr. Lampropoulos: 30,755 Shares (\$2,171,918) and \$2,500,000 of PSU Cash Incentive (total of \$4,671,918), Mr. Parra: 20,760 Shares (\$1,466,071), Messrs. Wright, Lloyd and Peterson: 11,533 shares (\$814,425).

## Option Exercises and Stock Awards Vested

The following table provides information regarding stock options exercised by each of the NEOs and restricted stock awards (PSUs) that vested during the year ended December 31, 2022.

Named Executive Officer	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise	Value Realized on Exercise (\$) <sup>(1)</sup>	Number of Shares Acquired on Vesting	Value Realized on Exercise (\$) <sup>(1)</sup>
Fred P. Lampropoulos	50,000	2,305,500	17,680	1,149,730
Raul Parra	2,000	69,080	6,630	431,149
Neil W. Peterson	4,000	168,182	—	—
Joseph C. Wright	20,000	1,025,750	6,630	431,149
Brian G. Lloyd	30,000	1,014,741	6,630	431,149
Ronald A. Frost	130,783	4,527,276	6,630	431,149

- (1) The reported value for this column is determined by multiplying the number of shares acquired upon the exercise of the applicable option by the difference between the market price of our Common Stock on the date of exercise and the exercise price of the stock option. The value is stated before payment of applicable taxes.

## Non-Qualified Deferred Compensation

Pursuant to the Merit Medical Systems, Inc. Deferred Compensation Plan ([Deferred Compensation Plan](#)), NEOs may elect prior to the beginning of each calendar year to defer the receipt of base salary and bonuses earned for the ensuing calendar year. Amounts deferred are credited to an unfunded liability account maintained by the Company on behalf of the applicable NEO, which account is deemed invested in and earns a rate of return based upon certain notational, self-directed investment options offered under the Deferred Compensation Plan. The NEOs' accounts under the Deferred Compensation Plan may also be credited with a discretionary employer matching contribution, although no such discretionary contribution was made for 2022 or at any other time since the Deferred Compensation Plan's inception. Participant account balances under the Deferred Compensation Plan are fully-vested and will be paid by the Company to each NEO upon retirement or separation from employment, or on other specified dates, in a lump sum form or in installments according to a schedule elected in advance by the participant. The following table sets forth certain information regarding the account balance and amounts with respect to the NEOs who participated in the Deferred Compensation Plan during 2022.

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	Executive Contributions in Last Fiscal Year (\$) <sup>(1)</sup>	Registrant Contributions in Last Fiscal Year (\$)	Aggregate Earnings in Last Fiscal Year (\$) <sup>(2)</sup>	Aggregate Withdrawals / Distributions (\$)	Aggregate Balance at Last Fiscal Years End (\$)
Neil W. Peterson	—	—	(18,445)	—	371,083
Joseph C. Wright	—	—	(598,594)	—	2,211,867
Ronald A. Frost	—	—	(129,384)	—	576,914

(1) These amounts are also reflected in the Summary Compensation Table for the year ended December 31, 2022 as “Salary.”

(2) Earnings have not been reflected in the Summary Compensation Table for the year ended December 31, 2022 because they do not reflect compensation for services provided.

The table below shows the funds available for notational investment under the Deferred Compensation Plan and their annual rate of return for the calendar year ended December 31, 2022. These notational investments were generally the same as the mutual fund investment options offered in 2022 under our 401(k) Plan:

Name of Fund	Rate of Return
Vanguard VIF REIT Index	(26.30) %
DFA VA US Targeted Value	(4.21) %
MFS VIT III Mid Cap Value Svc	(9.00) %
Vanguard VIF Equity Index	(18.23) %
Vanguard VIF Total Stock Market Index Inv	(19.59) %
T. Rowe Price Equity Income II	(3.59) %
Model Portfolio - Global Growth	(19.16) %
T. Rowe Price Blue Chip Growth	(38.50) %
Model Portfolio - Balanced Growth	(18.14) %
T. Rowe Price Mid Cap Growth II	(22.75) %
Vanguard VIF Small Company Growth Inv	(25.35) %
Model Portfolio - Balanced Moderate	(16.43) %
Nationwide VIT International Index II	(14.51) %
MFS VIT II International Value Svc	(23.75) %
Model Portfolio - Balanced Conservative	(15.00) %
Model Portfolio - Income with Growth	(13.84) %
PIMCO VIT Real Return Admin	(11.90) %
Lazard Retirement Emerging Markets Svc	(15.12) %
Nationwide VIT Money Market V	1.33 %
PIMCO VIT Total Return Admin	(14.30) %
American Funds IS International 2	(20.79) %

## Potential Payments Upon Termination or Change in Control

### Employment Agreements and PSUs

In 2016, the Company entered into an Employment Agreement with each of Messrs. Lampropoulos, Wright, Lloyd and Frost. These Employment Agreements were amended in 2017. In 2018, the Company entered into an Employment Agreement with Mr. Parra. In 2022, the Company entered into an Employment Agreement with Mr. Peterson. These Employment Agreements (as amended) are described further in the “Compensation Discussion and Analysis” discussion above.

## EXECUTIVE COMPENSATION AND RELATED MATTERS

The Employment Agreements and PSU award agreements provide payments and benefits in the event of termination of employment under certain circumstances, including in connection with a Change in Control. The discussion that follows is only a summary of certain material provisions of the Employment Agreements, PSU award agreements and the 2018 Incentive Plan. This discussion is qualified in its entirety by reference to the full text of the applicable agreement or plan which can be found in the list of exhibits attached to our Annual Report.

### ***Termination Other Than in Connection with a Change in Control.***

If an Executive's employment with the Company is terminated for any reason, voluntarily or involuntarily, with or without Cause (as defined below), other than in Connection with a Change in Control (as defined below), we are obligated to pay the Executive a lump sum cash payment equal to his or her accrued and unpaid base salary and any accrued vacation pay earned but not yet paid through the date of termination, plus a lump sum cash payment equal to the Executive's accrued annual bonus earned for our last fiscal year ending immediately prior to the Executive's date of termination, to the extent not already paid (the sum of such payments hereinafter referred to as [Accrued Obligations](#)). Any additional severance benefit is solely at the discretion of the Company. A termination is deemed to be in [Connection with a Change in Control](#) if it occurs on or within two years after the date of a Change in Control or, in the case of involuntary termination without Cause, within six months prior to a Change in Control and in anticipation of the Change in Control.

[Change in Control](#) has the meaning given to such term in the applicable agreement or plan. The Employment Agreements generally define a Change in Control as:

- the acquisition in one or more integrated transactions by any individual, entity or group of beneficial ownership of more than 30% of the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors;
- certain changes in a majority of the Board within a 12-month period; and
- consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of our assets.

The PSU award agreements and 2018 Incentive Plan generally define a Change in Control as:

- certain changes in the majority of the Board within a 24-month period;
- the acquisition by any person of 30% or more of the Common Stock or other voting securities;
- consummation of a merger or reorganization of the Company that requires the approval of our shareholders, unless more than 30% of the total voting power of the surviving corporation or its parent is represented by securities held by the company's shareholders prior to the transaction, no person (other than an employee benefit plan sponsored or maintained by the surviving corporation or its parent) owns more than 30% of the securities eligible to elect directors of the surviving corporation or its parent, and at least a majority of the directors of the parent corporation or the surviving corporation were directors of the Company for a period of 12 months preceding such transaction;
- shareholder approval of a liquidation or dissolution of the Company; or
- a sale or other disposition of all or substantially all of our assets to another entity that is not controlled by our shareholders.

### ***Termination for Good Reason or Without Cause in Connection with a Change in Control***

If an NEO's employment with the Company is terminated by the NEO for Good Reason (as defined below) in Connection with a Change in Control or by the Company without Cause in Connection with a Change in Control, the Company is obligated to:

## EXECUTIVE COMPENSATION AND RELATED MATTERS

- pay to the NEO any Accrued Obligations to the extent not already paid;
- pay to the NEO a cash severance benefit equal to two times (three times solely in the case of the CEO) the sum of (i) the NEO's annual base salary then in effect, and (ii) the NEO's average annual bonus for the last three full fiscal years ending prior to the Change in Control;
- continue to provide group health benefits to the NEO and/or NEO's eligible spouse and dependent children for two years (three years solely in the case of the CEO) after the date of the NEO's termination;
- provide the NEO with certain outplacement services at our expense;
- pay or provide to the NEO certain other accrued benefits to the extent not already paid or provided; and
- provide the total Target PSU Shares (and the Target Cash Incentive, in the case of Mr. Lampropoulos) under the PSU award agreements, without regard to the Company's performance or other vesting requirements.

The Employment Agreements, PSU award agreements and 2018 Incentive Plan generally define **Cause** as:

- the willful and continued failure of an NEO to perform his or her duties after a written demand for substantial performance specifically identifying the deficiencies in the Executive's performance has been delivered to the NEO by the Board or, in the case of all NEOs other than the CEO, by the CEO;
- the willful engaging by an NEO in illegal conduct, intentional misconduct or gross negligence which materially and demonstrably injures the Company; or
- violation of written Company policies prohibiting workplace discrimination, sexual harassment, and alcohol or substance abuse.

The Employment Agreements, PSU award agreements and 2018 Incentive Plan generally define **Good Reason** as:

- our assignment to the NEO, upon or within two years after a Change in Control, of any duties inconsistent with or that diminishes the NEO's duties, authority or responsibilities under the terms of the NEO's Employment Agreement;
- our failure to comply with certain compensation provisions in the Employment Agreements;
- requiring the NEO to relocate to another office or location upon or within two years of a Change in Control; or
- our failure to require any successor entity to comply with the terms of a respective Employment Agreement.

### ***Termination for Cause or Without Good Reason Following a Change in Control***

If the Company terminates an NEO's employment for Cause on or after the date of a Change in Control, the Company must pay to the NEO his or her annual base salary and accrued vacation and must continue to pay and/or provide certain other welfare benefits to the extent not already provided and/or unpaid. If an NEO voluntarily terminates his or her employment without Good Reason upon or following a Change in Control, the Company is obligated to pay the NEO for Accrued Obligations and to provide certain other accrued benefits to the extent not already paid and/or provided.

### ***Termination upon Death or Disability***

Upon an NEO's termination of employment as a result of death or disability, other than in Connection with a Change in Control, the Company is obligated to pay the NEO (or the NEO's estate) an amount equal to Accrued Obligations plus any additional discretionary severance benefits approved by the Compensation Committee. If an NEO's employment is terminated after the date of a Change in Control by reason of the NEO's death, the Company must also continue to provide certain welfare benefits to the NEOs family for a stated period. If an NEO's

EXECUTIVE COMPENSATION AND RELATED MATTERS

employment is terminated after the date of a Change in Control by reason of the NEO's disability, the Company must also continue to provide certain welfare benefits. After the end of the applicable performance period under his or her PSU award agreement, each such deceased or disabled NEO (or the NEO's estate) shall also receive a pro rata portion of the number of shares of Common Stock (and in the case of Mr. Lampropoulos, a pro rata portion of the PSU Cash Incentive) that would have been received under his or her PSU award agreements had the NEO remained in continuous service with the Company.

**Accelerated Stock Option and PSU Vesting Upon a Change in Control**

Under our 2018 Incentive Plan, all otherwise unvested stock options held by NEOs become fully vested upon a Change in Control, without regard to whether the NEO terminates employment. Additionally, the Target PSU Shares under unvested PSU award agreements (and the Target Cash Incentive in the case of Mr. Lampropoulos) shall be payable without regard to otherwise applicable performance conditions.

**Amounts Payable upon a Change in Control without Termination of Employment**

The following table shows for each NEO the intrinsic value of his or her otherwise unvested stock options and PSUs on December 31, 2022 that would have vested had a "Change in Control" within the meaning of the Employment Agreements occurred on that date. For options, the intrinsic value is calculated by multiplying the number of underlying shares by the closing price of Common Stock on the last trading day of 2022 and by then subtracting the applicable option exercise price. For PSUs, the intrinsic value is calculated by multiplying the Target PSU Shares by the closing price of Common Stock on the last trading day of 2022, and in the case of Mr. Lampropoulos includes the Target Cash Incentives of \$333,333, \$1,000,000, and \$1,000,000 under unvested PSU awards granted in 2020, 2021 and 2022, respectively. The Employment Agreements do not provide for any additional payments to the NEOs merely upon a Change in Control (i.e., absent a termination of employment of the NEOs).

Named Executive Officer	Intrinsic Value of Stock Options (\$)	Intrinsic Value of Stock Awards (PSUs) (\$)	Total (\$)
Fred P. Lampropoulos	3,692,603	4,705,813	8,398,416
Raul Parra	691,220	1,150,259	1,841,479
Neil W. Peterson	250,158	325,770	575,928
Joseph C. Wright	732,479	889,600	1,622,079
Brian G. Lloyd	732,479	889,600	1,622,079

**Amounts Payable upon Termination of Employment**

**Termination without Cause or For Good Reason in Connection with a Change in Control.**

The following table shows the amounts that would be payable to each NEO if the Company had undergone a Change in Control within the meaning of the Employment Agreements and the NEO's employment with the Company terminated voluntarily for Good Reason or involuntarily without Cause, in each case, on December 31, 2022.

Amounts shown in the table do not reflect any accrued vacation and distributions from our 401(k) Plan that are payable to all salaried employees upon termination of employment:

Named Executive Officer	Salary and Bonus Continuation	Stock Option Vesting Acceleration (\$ (1)	Stock Award Vesting Acceleration (\$ (2)(3)	Health Plan Coverage Continuation (\$ (4)	Deferred Compensation Plan (\$ (5)	Total (\$)
Fred P. Lampropoulos	8,970,377	3,692,603	4,705,813	65,026	—	17,433,819
Raul Parra	1,815,608	691,220	1,150,259	41,641	—	3,698,728
Neil W. Peterson	1,449,722	250,158	325,770	29,201	371,083	2,425,934
Joseph C. Wright	1,891,422	732,479	889,600	41,641	2,211,867	5,767,009
Brian G. Lloyd	1,722,278	732,479	889,600	41,641	—	3,385,998

EXECUTIVE COMPENSATION AND RELATED MATTERS

- (1) Stock Option Vesting Acceleration represents the intrinsic value of the otherwise unvested stock options held by NEOs on December 31, 2022 calculated by multiplying the number of shares underlying such options by the closing price of Company shares on December 31, 2022 (\$70.62 per share), and by then subtracting the applicable exercise price.
- (2) Stock Award Vesting Acceleration represents the intrinsic value of the unvested PSUs on December 31, 2022 calculated by multiplying the Target PSU Shares underlying such awards by the closing price of the Company shares on December 31, 2022 (\$70.62 per share).
- (3) Includes the Target Cash Incentives of \$1,000,000, \$1,000,000, and \$333,334 for Mr. Lampropoulos under unvested PSU awards granted in 2022, 2021 and 2020 respectively.
- (4) Health Plan Coverage Continuation amounts represent the estimated future cost of providing continuing Company-paid coverage under the Company's group health, disability and life insurance plans for the applicable severance period. The estimated amounts are based upon December 31, 2022 actual premium rates, plus a 10% assumed rate of annual premium cost increases.
- (5) Deferred Compensation Plan amounts represent the account balance in each NEO's Deferred Compensation Plan account as of December 31, 2022.

***Involuntary Termination without Cause or Termination For Good Reason (Other Than in Connection with a Change in Control).***

The following table shows the amounts that would be payable to each NEO if the NEO's employment had terminated voluntarily for Good Reason or involuntarily without Cause, other than in connection with a Change in Control, on December 31, 2022 and we had exercised our discretion to pay severance equal to one year's salary and the annual bonus earned in 2022.

The following amounts are in addition to accrued vacation and distributions from our 401(k) Plan that are payable to all salaried employees upon termination of employment:

Named Executive Officer	Discretionary Severance (\$) <sup>(1)</sup>	Stock Award Vesting Acceleration (\$) <sup>(2)(3)</sup>	Health Plan Coverage Continuation (\$)	Deferred Compensation Plan (\$) <sup>(4)</sup>	Total (\$)
Fred P. Lampropoulos	2,790,036	7,536,408	—	—	10,326,444
Raul Parra	875,010	1,689,054	—	—	2,564,064
Neil W. Peterson	820,008	1,471,839	—	371,083	2,662,930
Joseph C. Wright	901,674	1,471,839	—	2,211,867	4,585,380
Brian G. Lloyd	820,008	1,471,839	—	—	2,291,847

- (1) Assumes the Company exercised its discretion to pay severance equal to one year's salary and the 2022 earned bonus.
- (2) Stock Award Vesting Acceleration represents the pro rata portion of the intrinsic value of unvested PSUs on December 31, 2022, as amended. The pro rata portion is based on the number of full months of continuous service compared to the number of months in the performance period. The number of shares expected to be awarded is based on the estimated probable FCF and rTSR multipliers as of December 31, 2022 and is multiplied by the closing price of the Company shares on December 31, 2022 (\$70.62 per share) to calculate the intrinsic value.
- (3) For Mr. Lampropoulos, the amount included in this column includes the pro rata portion of unvested PSU Cash Incentives of \$3,611,113 under unvested PSU award agreements, which is based on the estimated probable FCF and rTSR multipliers as of December 31, 2022.
- (4) Deferred Compensation Plan amounts represent the account balance in the NEO's Deferred Compensation Plan account as of December 31, 2022.

EXECUTIVE COMPENSATION AND RELATED MATTERS

**Termination on Account of Death, Disability, Involuntary Termination for Cause or Voluntary Resignation without Good Reason.**

If, on December 31, 2022, a NEO had died, his employment had been terminated on account of disability, his employment had been terminated for Cause, or he had voluntarily resigned without Good Reason, whether or not in connection with a Change in Control, he would have been entitled to receive only:

- his accrued salary and bonus earned through December 31, 2022;
- accrued but unpaid vacation pay through December 31, 2022;
- distribution of his vested account balance from our 401(k) Plan;
- the payment of insured benefits, if applicable, under our broad-based long-term disability insurance or group term life insurance plans;
- distribution of his Deferred Compensation Plan account balance; and
- except for termination of employment involuntarily for Cause or as a result of resignation without Good Reason, a pro rata portion of the number of shares of Common Stock (and the PSU Cash Incentive in the case of Mr. Lampropoulos) that would have been received under PSU award agreements had the NEO remained in continuous service with the Company through the end of the applicable performance period.

**Pay Versus Performance**

**Value of Initial Fixed \$100 Investment Based on:**

Year	Summary Compensation Total for the Principal Executive Officer ("PEO")	Compensation Actually Paid to the PEO	Average Summary Compensation Table Total for Non-PEO Named Executive Officers ("NEO"s)	Average Compensation Actually Paid to Non-PEO NEOs	Total Shareholder Return	Peer Group Total Shareholder Return	Net Income (loss) (in \$M)	Non-GAAP Operating Margin (%)
(a)	(b) <sup>(1)</sup>	(c) <sup>(1)(2)</sup>	(d) <sup>(3)</sup>	(e) <sup>(2)(3)</sup>	(f)	(g) <sup>(4)</sup>	(h)	(i) <sup>(5)</sup>
2022	8,128,833	12,087,645	2,091,141	2,009,224	126.12%	20.22%	74,516	17.0%
2021	7,537,100	10,691,399	1,678,125	2,266,274	99.50%	65.73%	48,454	16.0%
2020	7,703,508	12,603,991	1,722,505	2,903,044	77.78%	45.61%	(9,843)	13.7%

(1) Fred P. Lampropoulos was the PEO for all three years in the table.

(2) SEC rules require certain adjustments be made to the Summary Compensation Table totals to determine "compensation actually paid" as reported in the Pay versus Performance Table. "Compensation actually paid" does not necessarily represent cash and/or equity value transferred to the applicable NEO without restriction, but rather is a value calculated under the applicable SEC rules. The following table details these adjustments:



EXECUTIVE COMPENSATION AND RELATED MATTERS

Year	Executives	Summary Compensation Table Total (\$)	Subtract Stock Awards (\$)	Add Year-End Equity Value (\$)	Change in Value of Prior Equity Awards (\$)	Add Change in Value of Vested Equity Awards (\$)	Subtract Value of Equity Awards that Failed to Meet Vesting Conditions (\$)	Compensation Actually Paid (\$)
2022	PEO	8,128,833	(5,330,097)	5,376,613	1,434,847	2,477,449	—	12,087,645
	Non-PEO NEOs	2,091,141	(980,076)	819,171	211,296	253,211	(385,519)	2,009,224
2021	PEO	7,537,100	(4,146,759)	5,567,123	756,685	977,250	—	10,691,399
	Non-PEO NEOs	1,678,125	(691,110)	927,825	170,049	181,385	—	2,266,274
2020	PEO	7,703,508	(4,976,970)	5,425,560	2,390,685	2,061,208	—	12,603,991
	Non-PEO NEOs	1,722,505	(893,427)	834,434	557,540	681,992	—	2,903,044

- (3) For 2022, Raul Parra, Neil W. Peterson, Brian G. Lloyd, Joseph C. Wright and Ronald A. Frost were the Non-PEO NEOs. For 2021 and 2020, Raul Parra, Ronald A. Frost, Brian G. Lloyd and Joseph C. Wright were the Non-PEO NEOs.
- (4) Peer Group Total Shareholder return is based on NASDAQ Stocks (SIC 3840-3849 US Companies Surgical, Medical, and Dental Instruments and Supplies).
- (5) The Company Selected Measure is Non-GAAP Operating Margin. Non-GAAP operating income is calculated by adjusting GAAP operating income for certain items which are deemed by the Company's management to be outside of core operations and vary in amount and frequency among periods, such as expenses related to acquisitions or other extraordinary transactions, non-cash expenses related to amortization or write-off of previously acquired tangible and intangible assets, certain severance expenses, performance-based stock compensation expenses, corporate transformation expenses, expenses resulting from non-ordinary course litigation or administrative proceedings and resulting settlements, governmental proceedings, and changes in governmental or industry regulations, as well as other items. Non-GAAP operating margin is calculated by dividing non-GAAP operating income by reported net sales. A reconciliation of non-GAAP financial measures used in this Proxy Statement to their most directly comparable GAAP financial measures is included under the heading "Non-GAAP Financial Measures" below. The Company selected this measure because it is a principal metric upon which our Foundations for Growth Program is based, and a key metric considered by the Compensation Committee in making its determinations regarding compensation of our PEO and Non-PEO NEOs.

EXECUTIVE COMPENSATION AND RELATED MATTERS

**CEO Pay Ratio**

The following pay ratio and supporting information compares (x) the annual total compensation for the year ended December 31, 2022 of our median employee identified as of December 31, 2022 by taking into account all of our employees other than our CEO, (including full-time and part-time employees and employees on leave) and annualizing permanent employees (full-time and part-time) that did not work a full year, (excluding employees on leave under the Family and Medical Leave Act of 1993, employees called for active military duty, and employees who took an unpaid leave of absence during the period for another reason) (**Median Employee**) against (y) the annual total compensation of our CEO (as reported in our Summary Compensation Table), as required by Section 953(b) of the Dodd-Frank Act.

As illustrated in the table below, our 2022 CEO pay ratio was **227 to 1**.

	<b>2022 Compensation (\$)</b>
Fred P. Lampropoulos <sup>(1)</sup>	8,128,833
Median Employee <sup>(2)</sup>	35,793

(1) For additional information, see our Summary Compensation Table beginning on page 59.

(2) Amount represents taxable compensation paid, plus the fair value of equity awards granted (if applicable) to the Median Employee during 2022, plus bonus accrued and paid in 2023.

In calculating the median employee in 2022, we calculated the annual total compensation (annual taxable compensation, plus the fair value of equity awards granted) for all employees of the Company (other than the CEO) for the year ended December 31, 2022. We believe that annual total compensation is a consistently applied compensation measure and appropriate for determining the median-paid employee. We used actual annual total compensation (converted, where applicable, to U.S. dollars based on an average annual exchange rate for the year ended December 31, 2022) and did not make any assumptions or adjustments to the amounts determined.

**PROPOSAL 3: Advisory Vote on the Frequency of Future Advisory Votes on Executive Compensation**

**The Board unanimously recommends a vote FOR ONE YEAR on this proposal**



**Background**

Section 14A and related rules promulgated by the Commission require that the Company's shareholders be given the opportunity, once every six years, to cast an advisory (non-binding) vote on how frequently the Company should consider future Say-on-Pay proposals at its annual meetings of shareholders (referred to as a "Say-on-Frequency" vote). As the last Say-on-Frequency vote was held at the 2017 annual meeting of the Company's Shareholders, held on May 24, 2017, this proposal gives the Company's shareholders the opportunity to indicate whether they would prefer that, during the next six years, the Company's shareholders be given a non-advisory vote on future Say-on-Pay proposals once every one, two, or three years. If they wish, shareholders may also abstain from casting a vote on this proposal. Accordingly, the following resolution will be submitted to the Company's shareholders for approval at the Annual Meeting: "RESOLVED, that the option of every year (annual basis), every two years (biennial basis) or every three years (triennial basis) that receives the highest number of votes cast for this resolution will be determined to be the preferred frequency of the Company's shareholders, on an advisory basis, for holding an advisory vote on the compensation of the Company's named executive officers as disclosed in the Company's proxy statement pursuant to the Securities and Exchange Commission's compensation disclosure rules."

Similar to the Say-on-Pay proposal, this vote is advisory in nature and will not bind the Company or the Board to adopt any particular frequency. However, the Board values the opinion of the Company's shareholders and will consider the outcome of the vote when determining how frequently to address future Say-on-Pay proposals. Regardless of the outcome of this Say-on-Frequency vote, the Board may decide that it is in the best interests of the Company's shareholders and the Company to include a Say-on-Pay proposal in the Company's proxy statement more or less frequently than the frequency receiving the most votes cast by the Company's shareholders at the Annual Meeting. The Board anticipates that, following the Annual Meeting, the next advisory Say-on-Frequency vote will take place in connection with the Company's 2029 annual meeting of shareholders.

**Voting**

The proxy card allows shareholders to vote for one of four choices at the Annual Meeting: one year, two years, three years, or abstain from voting on this proposal. The Board recommends that shareholders vote ONE YEAR on the proposal to recommend, on an advisory basis, the frequency of executive compensation votes during the next six years.

## AUDIT MATTERS

### Audit Committee Report

The Audit Committee provides oversight of our accounting and financial reporting processes, systems of internal accounting and financial controls and the audits of our financial statements. The Audit Committee reviewed with our independent registered public accounting firm and management the financial information included in our audited financial statements. All members of the Audit Committee are “independent,” as defined in the Nasdaq Marketplace Rules.

Management is responsible for our internal controls and financial reporting process. Our independent registered public accounting firm is responsible for performing an audit of our financial statements in accordance with generally accepted auditing standards in the United States of America and for expressing an opinion on those financial statements based on its audit. The Audit Committee reviews these processes on behalf of the Board. The Audit Committee has reviewed and discussed with our management and our independent registered public accounting firm the audited financial statements contained in our Annual Report. The Audit Committee has also reviewed and discussed management’s assessment of the effectiveness of our internal control over financial reporting, and the opinion of our independent registered public accounting firm on the effectiveness of our internal control over financial reporting.

The Audit Committee also has discussed with our independent registered public accounting firm the matters required to be discussed by Auditing Standards 1301 (“AS 1301” Communication with Audit Committee), as amended.

The Audit Committee has received the written disclosures and the letter from our independent registered public accounting firm required by AS 1301, as amended, as adopted by the Public Company Accounting Oversight Board, and has discussed with the independent registered public accounting firm its independence. The Audit Committee has also considered whether the provision of the non-audit services described herein under the caption “Proposal No. 5 - Ratification of Appointment of Independent Registered Public Accounting Firm” is compatible with maintaining the independence of the independent registered public accounting firm.

Based on the review and discussions referred to above, the Audit Committee recommended to the Board that the audited financial statements be included in our Annual Report.

#### **AUDIT COMMITTEE**

Lynne N. Ward (Chair)

Stephen C. Evans

Thomas J. Gunderson

James T. Hogan

Michael R. McDonnell

<p><b>Proposal No. 4: Ratification of Appointment of Independent Registered Public Accounting Firm</b></p>	<p><b>The Board unanimously recommends a vote FOR this proposal</b></p>	
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Subject to shareholder ratification, the Audit Committee has recommended, and the Board has appointed Deloitte to audit the financial statements of the Company for the year ending December 31, 2023. Deloitte has acted as the independent public accounting firm for the Company since 1988.

The Board anticipates that representatives of Deloitte will be participating in the Annual Meeting, will have an opportunity to make a statement if they so desire, and will be available to respond to appropriate questions.

**Fees Paid to Our Independent Certified Public Accounting Firm**

The following table presents aggregate fees for audits of our consolidated financial statements and fees billed for other services rendered by Deloitte for the years ended December 31, 2022 and 2021.

	2022 (\$)	2021 (\$)
Audit Fees <sup>(1)</sup>	1,442,940	1,378,299
Audit-Related Fees <sup>(2)</sup>	66,630	1,002,196
Tax Fees <sup>(3)</sup>	385,472	588,329
All Other Fees	—	—
<b>Total</b>	<b>1,895,042</b>	<b>2,968,824</b>

- (1) **Audit Fees:** The aggregate fees billed by Deloitte, the member firms of Deloitte Touche Tohmatsu, and their respective affiliates (collectively, the [Deloitte Firms](#)) for professional services rendered for the audits and reviews of our financial statements filed with the SEC on Forms 10-K, 10-Q and 8-K, for the audit of the effectiveness of our internal control over financial reporting under Section 404 of the Sarbanes-Oxley Act of 2002, for services provided in connection with statutory and regulatory filings or engagements, and for services provided in connection with our registration statements.
- (2) **Audit-Related Fees:** The aggregate fees billed by the Deloitte Firms for all audit-related services, including audits of our employee benefit plan, due diligence services, and certain accounting consultation services.
- (3) **Tax Fees:** The aggregate fees billed by the Deloitte Firms for tax compliance, tax advice and tax planning.

**Pre-Approval Policies and Procedures**

The Audit Committee ensures that the Company engages its independent registered public accounting firm to provide only audit and non-audit services that are compatible with maintaining the independence of its public accountants. The Audit Committee approves or pre-approves all services provided by our public accountants. Permitted services include audit and audit-related services, tax and other non-audit related services. Certain services are identified as restricted. Restricted services are those services that may not be provided by our external public accountants, whether identified in statute or determined in our opinion to be incompatible with the role of an independent auditor. All fees identified in the preceding table were approved by the Audit Committee. During 2022, the Audit Committee reviewed all non-audit services provided by our independent registered public accounting firm and concluded that the provision of such non-audit services was compatible with maintaining the independence of the external public accountants.

## STOCK OWNERSHIP AND TRADING

## STOCK OWNERSHIP AND TRADING

## Principal Holders of Voting Securities

The following table sets forth information as of March 21, 2023, with respect to the beneficial ownership of shares of Common Stock by each person known by the Company to be the beneficial owner of more than 5% of the Common Stock, by each director, by each director nominee, by each NEO and by all directors and executive officers as a group.

For each individual and group included in the table below, percentage ownership is calculated by dividing the number of shares beneficially owned by such person or group by the sum of the 57,440,116 shares of Common Stock outstanding as of March 21, 2023, plus the number of shares of Common Stock that such person or group had the right to acquire on or within 60 days after March 21, 2023.

Unless otherwise noted, each person named has sole voting and investment power with respect to the shares indicated.

Principal Shareholders	Number of Shares	Percentage of Outstanding Common Stock
Blackrock, Inc. <sup>(1)</sup>	9,670,688	16.8%
The Vanguard Group, Inc. <sup>(1)</sup>	6,824,344	11.9%
William Blair Investment Management, LLC <sup>(1)</sup>	3,729,980	6.5%
<b>Officers, Directors and Nominees</b>		
Fred P. Lampropoulos <sup>(2) (3)</sup>	1,565,728	2.7%
Joseph C. Wright <sup>(2) (3)</sup>	123,831	*
Brian G. Lloyd <sup>(3)</sup>	84,327	*
Raul Parra <sup>(2) (3)</sup>	52,547	*
Neil W. Peterson <sup>(3)</sup>	45,250	*
Ronald A. Frost <sup>(4)</sup>	15,144	*
Michel Voigt	7,397	*
F. Ann Millner, Ed.D. <sup>(3)</sup>	85,898	*
A. Scott Anderson <sup>(3)</sup>	82,335	*
Thomas J. Gunderson <sup>(3)</sup>	73,352	*
David K. Floyd	8,686	*
Lynne N. Ward <sup>(3)</sup>	8,347	*
Lonny J. Carpenter	7,472	*
James T. Hogan	7,102	*
Stephen C. Evans	2,914	*
Laura S. Kaiser	-	*
Michael R. McDonnell	-	*
<b>Total Officers, Directors and Nominees (16 people)</b>	<b>2,170,329</b>	<b>3.7%</b>

\* Represents a holding of less than 1.0%

- (1) Based upon the most recent Schedules 13F or 13G available on the SEC's website as of March 21, 2023, with holdings reported as of December 31, 2022. Number of shares listed represents aggregate number of shares of Common Stock beneficially owned by each reporting person as indicated in the applicable Schedule 13F or 13G report.
- (2) The computations above include the following share amounts that are held in our 401(k) Plan on behalf of participants as of March 21, 2023:
- Mr. Lampropoulos, 97,077 shares
  - Mr. Parra, 2,833 shares

- Mr. Voigt, 17 shares
  - All executive officers and directors as a group, 99,926 shares
- (3) The computations above include the following share amounts that are subject to options exercisable within 60 days after March 21, 2023, none of which had been exercised as of such date:
- Mr. Lampropoulos, 493,757 shares
  - Mr. Wright, 93,407 shares
  - Mr. Lloyd, 68,407 shares
  - Mr. Peterson, 45,250 shares
  - Mr. Parra, 43,026 shares
  - Mr. Voigt, 6,865 shares
  - Dr. Millner, 61,250 shares
  - Mr. Gunderson, 66,250 shares
  - Mr. Anderson, 41,250 shares
  - Ms. Ward, 5,433 shares
  - All executive officers and directors as a group, 924,895 shares
- (4) Based upon the most recent Form 4 filed by Mr. Frost with the SEC on August 12, 2022 and our review of transactions by Mr. Frost with respect to shares previously held in our 401(k) Plan.

## Delinquent Section 16(a) Reports

Section 16(a) of the Securities Exchange Act of 1934 (Exchange Act) requires directors, certain officers, and greater than ten percent holders of our common stock to file reports indicating their holdings of, and transactions in, our equity securities. Based on the review of these reports and written representations from our directors and the applicable officers, we believe that in 2022 all reports, were timely filed with the SEC.

## Securities Authorized for Issuance Under Equity Compensation Plans

The following table contains information regarding our equity compensation plans as of December 31, 2022 (in thousands, except weighted-average price):

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	3,326 <sup>(1)(2)</sup>	49.62 <sup>(3)</sup>	2,921 <sup>(4)</sup>

- (1) Consists of 966,907 shares of Common Stock subject to options granted under the Merit Medical Systems, Inc. 2006 Long-Term Incentive Plan, 2,109,984 shares of Common Stock subject to options granted under the 2018 Long-Term Incentive Plan, up to 218,164 shares of Common Stock subject to performance stock units granted under the 2018 Incentive Plan, and 30,500 shares of Common Stock subject to restricted stock units under the 2018 Incentive Plan.
- (2) Performance stock units are included in column (a) based on actual FCF and rTSR multipliers for unvested awards with completed performance periods and based on the maximum potential payout for awards with incomplete performance periods.
- (3) The weighted-average exercise price included in the table excludes the performance stock units and restricted stock units included in column (a), as the underlying shares are issued and distributed to the recipient upon vesting and do not have an exercise price.
- (4) Consists of 102,739 shares available to be issued under the 1996 Merit Medical Systems, Inc. Employee Stock Purchase Plan and 2,817,861 shares available to be issued under the 2018 Incentive Plan.

OTHER PROXY INFORMATION

## OTHER PROXY INFORMATION

### Information about the Annual Meeting and Voting

On behalf of the Company, the Board is soliciting your proxy to vote at our Annual Meeting (or at any adjournment of the meeting). This Proxy Statement includes information you need to know to vote at the Annual Meeting.

#### **Date, Time and Place of the Annual Meeting**

**Date:** May 18, 2023

**Time:** 2:00 p.m. (Mountain Time) We encourage you to access the Annual Meeting prior to the start time and allow plenty of time to log into the Annual Meeting.

**Place:** Online at [www.virtualshareholdermeeting.com/MMSI2023](http://www.virtualshareholdermeeting.com/MMSI2023)

The Annual Meeting platform is fully supported across browsers and devices running the most updated versions of the applicable software and plugins. Participants should ensure that they have a strong Internet connection wherever they intend to participate in the Annual Meeting.

This Proxy Statement, the Notice of the 2023 Annual Meeting of Shareholders and the accompanying form of proxy are first being mailed or made available to our shareholders on or about April 7, 2023.

We will bear all costs and expenses relating to the solicitation of proxies, including the costs of preparing, printing and mailing to shareholders this Proxy Statement and accompanying materials, as well as the expense of making this Proxy Statement and accompanying materials available on the Internet (although shareholders must bear any costs associated with their Internet access). In addition to the solicitation of proxies by use of the mail and the Internet, our directors, officers, and employees, without receiving additional compensation, may solicit proxies personally or by telephone, electronic mail or facsimile. Arrangements will be made with brokerage firms and other custodians, nominees and fiduciaries for the forwarding of solicitation materials to the beneficial owners of the shares of Common Stock held by those persons, and we will reimburse those brokerage firms, custodians, nominees and fiduciaries for reasonable out-of-pocket expenses incurred by them in connection therewith.

The Board has fixed the close of business on March 21, 2023 as the Record Date for determination of shareholders entitled to receive notice of and to vote at the Annual Meeting. As of the Record Date, there were issued and outstanding 57,440,116 shares of Common Stock. The holders of record of the shares of Common Stock on the Record Date entitled to be voted at the Annual Meeting are entitled to cast one vote per share on each matter submitted to a vote at the Annual Meeting.

#### **Method for Electronic Viewing and Printing of the Proxy Materials**

The Record Date is March 21, 2023. Shareholders of record on the Record Date will be entitled to notice and to vote, in person or by proxy, at the Annual Meeting and any adjournments or postponements thereof.

SEC rules allow companies to furnish their proxy materials over the Internet. As a result, the Company is mailing to most of its shareholders a Notice of Internet Availability of Proxy Materials (the [Notice](#)) instead of a paper copy of this Proxy Statement and our Annual Report. The Notice contains instructions on how to access those documents over the Internet. The Notice also contains instructions on how to request a paper copy of our proxy materials, including this Proxy Statement, the Annual Report and a form of proxy card or voting instruction card. All shareholders who do not receive a Notice will receive a paper copy of the proxy materials by mail. We believe this process will allow us to provide shareholders with the information they need in a more efficient manner, while reducing the environmental impact and lowering the costs of printing and distributing these proxy materials.



All shareholders may choose to access our proxy materials on the website ([www.proxyvote.com](http://www.proxyvote.com)) or may request to receive a printed set of our proxy materials. This Proxy Statement contains information regarding the proposals to be considered at the Annual Meeting, and shareholders are encouraged to read it in its entirety.

### **Proxies**

Shares of Common Stock that are entitled to be voted at the Annual Meeting and are represented by properly executed proxies will be voted in accordance with the instructions on those proxies.

If no instructions are indicated, shares on a properly executed proxy will be voted:

- **FOR** the election of each of the three director nominees identified in this Proxy Statement;
- **FOR** the non-binding resolution to approve the compensation of our NEOs;
- **FOR** the non-binding resolution to approve the one-year frequency of future advisory votes on Executive Compensation during the next six years; and
- **FOR** the ratification of the appointment of Deloitte to serve as our independent registered public accounting firm for the year ending December 31, 2023.

In respect of any other matters that may properly come before the Annual Meeting, shares represented by properly executed proxies may be voted at the discretion of the proxy holder. The Board is not currently aware of any other matters to be presented at the Annual Meeting.

### **Revocation of Proxies**

A shareholder who has executed and returned a proxy may revoke it at any time prior to its exercise at the Annual Meeting by executing and returning a proxy bearing a later date by mail, by voting via the Internet, by filing with Brian G. Lloyd, our Corporate Secretary, at the address set forth above, a written notice of revocation bearing a later date than the proxy being revoked, or by voting the Common Stock covered thereby in person at the Annual Meeting. In order to revoke a proxy executed with respect to shares held in street name, the shareholder must contact the appropriate broker or nominee.

### **Broker Non-Votes**

Shares of Common Stock that are held in "street name," which means shares of Common Stock held of record by a trustee or in an account at a brokerage firm, bank, dealer, or other similar organization (collectively, [brokerage firms](#)), may be voted, even if the beneficial holder does not provide the brokerage firm with voting instructions. Brokerage firms have the authority under applicable securities rules to cast votes on certain "routine" matters, even if they do not receive instructions from their customers. However, the ratification of our independent registered accounting firm is considered the only routine matter for which brokerage firms may vote un-instructed shares. The election of directors, the advisory vote to approve named executive officer compensation, and the advisory vote to determine the frequency of shareholder advisory votes on executive compensation during the next six years, are not considered routine matters under current securities rules. When a proposal is not a routine matter and the brokerage firm has not received voting instructions from the beneficial owner of the shares with respect to that proposal, the brokerage firm cannot vote the shares on that proposal. This is called a "broker non-vote."

As all of the proposals described in this Proxy Statement, other than the proposal to ratify our independent registered accounting firm, are considered to be non-routine matters, it is particularly important that beneficial owners instruct their brokers how they wish to vote their shares.

## OTHER PROXY INFORMATION

### Vote Required

A majority of the issued and outstanding shares of Common Stock entitled to vote, properly represented in person or by proxy, is required for a quorum at the Annual Meeting. Abstentions and broker non-votes will be counted as “represented” for the purpose of determining the presence or absence of a quorum. Under the Utah Revised Business Corporation Act, once a quorum is established, shareholder approval with respect to a particular proposal is generally obtained when the votes cast in favor of the proposal exceed the votes cast against the proposal.

Holders of shares of Common Stock are entitled to one vote at the Annual Meeting for each share of Common Stock held of record on the Record Date. The vote required for each of the proposals described in this Proxy Statement is as follows:

**PROPOSAL 1:** In the election of directors, shareholders will not be allowed to cumulate their votes. Each director-nominee who receives a majority of the votes cast with respect to his or her election will be elected as a director of the Company.

**PROPOSAL 2:** The advisory vote on executive compensation is non-binding. Nevertheless, we will record the number of votes cast in favor of and against the proposal and will report the voting results.

**PROPOSAL 3:** The advisory vote on the frequency of future shareholder advisory votes on executive compensation is non-binding. Nevertheless, we will record the number of votes cast in favor of and against each proposal and will report the voting results.

**PROPOSAL 4:** The proposal to ratify the appointment of Deloitte to serve as our independent registered public accounting firm for the year ending December 31, 2023 requires that the votes cast in favor of the proposal must exceed the votes cast against the proposal.

Abstentions and broker non-votes will not affect the outcome of any proposals to be considered at the Annual Meeting; however, because the fourth proposal is considered a routine matter, brokerage firms may vote un-instructed shares for or against the proposal.

### No Dissenters' Rights of Appraisal

There are no rights of appraisal or similar dissenters' rights with respect to any matter to be acted upon pursuant to this Proxy Statement.

### Attending the Annual Meeting

The Annual Meeting will be online and a completely virtual meeting of shareholders. This format is more cost-efficient and makes the meeting accessible to more of our shareholders.

To participate in the Annual Meeting, visit [www.virtualshareholdermeeting.com/MMSI2023](http://www.virtualshareholdermeeting.com/MMSI2023) and enter the 16-digit control number included on your Notice, on your proxy card, or on the voting instructions that accompanied your proxy materials. If you do not have your 16-digit control number, you will be able to access and listen to the Annual Meeting but you will not be able to vote your shares or submit questions during the Annual Meeting. If you wish to submit a question before the meeting, you may log into [www.proxyvote.com](http://www.proxyvote.com) and enter your 16-digit control number. Once past the login screen, click on “Question for Management,” type in your question, and click “Submit.” Alternatively, if you want to submit your question during the meeting, log into the virtual meeting platform at [www.virtualshareholdermeeting.com/MMSI2023](http://www.virtualshareholdermeeting.com/MMSI2023), type your question into the “Ask a Question” field, and click “Submit.”

Questions pertinent to meeting matters will be answered during the meeting, subject to time constraints. Questions regarding personal matters, including those related to employment or product or service issues, are not pertinent to meeting matters and therefore will not be answered.

You may begin to log into the Annual Meeting platform beginning at 1:45 p.m. MDT on May 18, 2023. The Annual Meeting will begin promptly at 2:00 p.m. MDT on May 18, 2023. A list of registered shareholders of record entitled to vote shall be open to any shareholder for any purpose relevant to the Annual Meeting for ten days before the Annual Meeting, during normal business hours, at the Office of the Corporate Secretary. A list of registered shareholders as of the close of business on the Record Date will also be available for examination by the shareholders throughout the meeting at [www.virtualshareholdermeeting.com/MMSI2023](http://www.virtualshareholdermeeting.com/MMSI2023).

The virtual meeting platform is fully supported across browsers (Internet Explorer, Firefox, Chrome, and Safari) and devices (desktops, laptops, tablets, and cell phones) running the most updated version of applicable software and plugins. Participants should ensure that they have a strong Wi-Fi connection wherever they intend to participate in the meeting. Participants should also give themselves plenty of time to log in and ensure that they can hear streaming audio prior to the start of the meeting.

If you encounter any difficulties accessing the Annual Meeting during the check-in or meeting time, please call the technical support number that will be posted on the Annual Meeting login page. Technical support will be available starting at 1:45 p.m. MDT on May 18, 2023 and through the conclusion of the meeting.

#### ***Proxy Solicitation on Behalf of the Board***

The Board is soliciting proxies to provide an opportunity for all shareholders to vote, whether or not the shareholders are able to participate in the Annual Meeting or any adjournment or postponement thereof. Directors, officers and employees of the Company may solicit proxies on behalf of the Board in person, by mail, by telephone or by electronic communication. The proxy representatives of the Board will not be specially compensated for their services in this regard.

#### **Methods of Voting**

The method of voting by proxy differs for shares of Common Stock registered directly in a shareholder's name, considered the shareholder of record, and shares held in "street name," which means shares held of record by a trustee or in an account at a brokerage firm, bank, dealer, or other similar organization.

#### ***Holders of Record***

If the shareholder holds shares as a record holder, the shareholder may vote the shares by proxy on [www.proxyvote.com](http://www.proxyvote.com), by means of the telephone (at 1-800-690-6903), by mail (by requesting a printed copy of this Proxy Statement and then voting by mail), or by participating in the Annual Meeting and voting over the Internet. Each method is discussed further below:

- **Voting by Mail.** If a shareholder chooses to vote by mail, simply mark the proxy card mailed or transmitted to the shareholder (the **Proxy**) and complete, sign, date and mail it in the postage-paid envelope provided. The Proxy must be completed, signed and dated by the shareholder or the shareholder's authorized representative.
- **Voting by Telephone.** Shareholders of record can vote by phone by following the instructions on the Proxy or by calling toll-free at 1-800-690-6903. Voice prompts will instruct shareholders to vote their shares and confirm that their vote has been properly recorded.
- **Voting over the Internet.** Shareholders of record can vote on the Internet by accessing the Internet at [www.proxyvote.com](http://www.proxyvote.com). As with telephone voting, shareholders can confirm that their votes have been properly recorded. We provide Internet proxy voting to allow shareholders to vote their shares online, with procedures designed to ensure the authenticity and correctness of proxy vote instructions. However, please be aware that

## OTHER PROXY INFORMATION

shareholders must bear any costs associated with their Internet access, such as usage charges from Internet access providers and telephone companies.

- **Voting in Person.** The Annual Meeting will be held entirely online, so there will be no way to vote in person at the meeting. Registered shareholders may vote over the Internet during the Annual Meeting.

If a shareholder votes his, her or its Proxy by telephone, the Internet or by returning the Proxy to us before the Annual Meeting, the individuals designated in the Proxy will vote as the Proxy directs. If a shareholder votes by telephone or over the Internet, the shareholder does not need to return the Proxy.

Telephone and Internet voting facilities for shareholders will be available 24 hours a day and will close at 11:59 P.M. ET on May 17, 2023 for shares held directly and by 11:59 P.M. ET on May 15, 2023 for shares held in the Company's 401(k) Profit Sharing Plan.

### ***Holders in "Street Name"***

If a shareholder holds shares in "street name," the shareholder should have received a voting instruction form from the broker, bank or other nominee holding the shares. The shareholder should follow the instructions in the voting instruction form in order to instruct your broker, bank or other nominee on how to vote your shares. The availability of telephone and Internet voting will depend on the voting process of the broker, bank or nominee.

A large number of banks and brokerage firms are participating in the Broadridge Investor Communications Solutions, Inc. ([Broadridge](#)) online program. This program provides eligible shareholders the opportunity to vote via the Internet or by telephone. If a shareholder's bank or brokerage firm is participating in Broadridge's program, the voting form will provide instructions.

If a shareholder holds shares in "street name" and the shareholder wishes to vote at the Annual Meeting, the shareholder will need the 16-digit control number included on her, his or its proxy card or voting instruction form (if the shareholder received a printed copy of the proxy materials) or included in the email to the shareholder, if she, he or it received the proxy materials by email in order to be able to vote her, his or its shares at the Annual Meeting.

Shareholders receiving multiple Notices, or whose shares are registered in more than one name or are registered in different accounts, should follow the voting instructions on each Notice to ensure that all of their shares are voted.

### ***Employee 401(k) Profit Sharing Plan Shares***

Employees participating and owning shares in the Company's 401(k) Profit Sharing Plan will receive a voting instruction form. Your executed form will provide voting instructions to the plan trustee. If no instructions are provided, the plan trustee will vote the shares assigned to your plan account in the same proportion as to which it has received instructions from other plan participants. To allow sufficient time for voting, your voting instructions must be received by the trustee by 11:59 P.M. Eastern Time on May 15, 2023. You may **not** vote your shares held in the Company's 401(k) Profit Sharing Plan virtually at the Annual Meeting.

### **Additional Information and Additional Copies of Proxy Materials**

We will provide without charge to any person from whom a proxy is solicited by the Board, upon the written request of that person, a copy of our Annual Report, including the financial statements and schedules thereto (as well as exhibits thereto, if specifically requested).

We will generally deliver one copy of this Proxy Statement, or Notice, as applicable, to each address where multiple record holders of our Common Stock reside, unless we have received instructions to the contrary (i.e., "householding"). Upon written or oral request, we will promptly deliver another copy of this Proxy Statement and the Annual Report, or Notice, as applicable, to any holder of our Common Stock living at a shared address where we have delivered only one copy. Shareholders who receive multiple copies of this Proxy Statement or the Notice at their address and would like to request householding of their communications should contact their broker.

Requests for copies of our Annual Report, additional information or additional Proxy Statements should be directed to:

**Merit Medical Systems, Inc.**  
Attn: Brian G. Lloyd, Corporate Secretary  
1600 West Merit Parkway  
South Jordan, Utah 84095

### **Other Matters**

As of the date of this Proxy Statement, the Board knows of no matters to be presented for action at the Annual Meeting other than those matters described in the preceding pages. If, however, any further business should properly come before the Annual Meeting, the persons named as proxies in the accompanying form will vote on that business in accordance with their best judgment.

### **Shareholder Proposals for Annual Meeting 2024**

If any shareholder intends to present a proposal to be considered for inclusion in our proxy materials in connection with our 2024 annual meeting of shareholders, the proposal must be in proper form (per SEC Regulation 14A, Rule 14a-8 - Shareholder Proposals) and received by our Corporate Secretary no later than December 8, 2023. Nominations of persons for election as directors must be made consistent with the provisions of our Bylaws, including the requirement that the shareholder provide timely notice of the nomination in proper written form to our Corporate Secretary.

In accordance with the procedures set forth in our Bylaws, shareholders who wish to submit a proposal for consideration at our 2024 annual meeting of shareholders, including a nomination for director, but who do not wish to submit a proposal for inclusion in our proxy statement, must deliver notice of the proposal to our Corporate Secretary at our principal executive offices no earlier than December 20, 2023 and no later than January 19, 2024. Such proposals must contain all information required by our Bylaws. If the month and day of the next annual meeting is advanced or delayed by more than 30 calendar days from the month and day of the annual meeting to which this Proxy Statement relates, we will inform our shareholders of the change in a timely manner, as well as any change in the date by which proposals of shareholders must be received.

OTHER PROXY INFORMATION

## Non-GAAP Financial Measures

Although our financial statements are prepared in accordance with accounting principles generally accepted in the U.S. ([GAAP](#)) and the majority of the financial measures described in this Proxy Statement are calculated in accordance with GAAP, the Board and its committees use certain non-GAAP financial measures referenced in this Proxy Statement in order to assess year-over-year performance. We believe that such non-GAAP financial measures provide investors with useful information regarding the underlying business trends and performance of our ongoing operations and can be useful for period-over-period comparisons of such operations. Non-GAAP financial measures referenced in this Proxy Statement include:

- non-GAAP gross margin;
- non-GAAP operating income and margin;
- non-GAAP net income; and
- non-GAAP earnings per share

### NON-GAAP FINANCIAL MEASURES

**NON-GAAP GROSS MARGIN:** Non-GAAP gross margin is calculated by reducing GAAP cost of sales by amounts recorded for amortization of intangible assets, certain inventory write-offs and inventory mark-up related to acquisitions. Non-GAAP gross margin is calculated by dividing non-GAAP gross profit by reported net sales.

**NON-GAAP OPERATING INCOME AND MARGIN:** Non-GAAP operating income is calculated by adjusting GAAP operating income for certain items which are deemed by Merit's management to be outside of core operations and vary in amount and frequency among periods, such as expenses related to acquisitions or other extraordinary transactions, non-cash expenses related to amortization or write-off of previously acquired tangible and intangible assets, certain severance expenses, performance-based stock compensation expenses, corporate transformation expenses, expenses resulting from non-ordinary course litigation or administrative proceedings and resulting settlements, governmental proceedings, and changes in governmental or industry regulations, as well as other items referenced in the tables below. Non-GAAP operating margin is calculated by dividing non-GAAP operating income by reported net sales.

**NON-GAAP NET INCOME:** Non-GAAP net income is calculated by adjusting GAAP net income for the items set forth in the definition of non-GAAP operating income above, as well as for expenses related to debt issuance costs, gains or losses on disposal of certain assets, changes in tax regulations, and other items set forth in the tables below.

**NON-GAAP EARNINGS PER SHARE:** Non-GAAP earnings per share is defined as non-GAAP net income divided by the diluted shares outstanding for the corresponding period.

Our management team uses these and other non-GAAP financial measures to evaluate our profitability and efficiency, to compare operating results to prior periods, to evaluate changes in the operating results of our operating segments, and to measure and allocate financial resources internally. Our Board and Compensation Committee may also use these non-GAAP financial measures to assess the performance of certain of our NEOs. Neither our management nor our Board or Compensation Committee consider any such non-GAAP measures in isolation or as an alternative to such measures determined in accordance with GAAP.

You should consider non-GAAP measures used in this Proxy Statement in addition to, not as a substitute for, financial reporting measures prepared in accordance with GAAP. These non-GAAP financial measures generally exclude some, but not all, items that may affect our financial results. In addition, they are subject to inherent

limitations as they reflect the exercise of judgment by management about which items are excluded. We believe it is useful to exclude such items in the calculation of non-GAAP gross margin, non-GAAP operating income and margin, non-GAAP net income, and non-GAAP earnings per share (in each case, as further illustrated in the reconciliation tables below) because such amounts in any specific period may not directly correlate to the underlying performance of our business operations and can vary significantly between periods as a result of factors such as such new acquisitions, non-cash expenses related to amortization or write-off of previously acquired tangible and intangible assets, certain severance expenses, performance-based stock compensation expenses, corporate transformation expenses, expenses resulting from non-ordinary course litigation or administrative proceedings and resulting settlements, government proceedings or changes in tax or industry regulations, debt issuance costs, and gains or losses on disposal of certain assets. We may incur similar types of expenses in the future, and the non-GAAP information included in this Proxy Statement should not be viewed as a statement or indication that these types of expenses will not recur. Additionally, the non-GAAP financial measures used in this Proxy Statement may not be comparable with similarly titled measures of other companies. We urge readers to review the reconciliations of our non-GAAP financial measures to the comparable GAAP financial measures, and not to rely on any single financial measure to evaluate our business or results of operations.

Tables reconciling our 2022, 2021, 2020, 2019 and 2018 non-GAAP gross margin, non-GAAP operating income and margin, non-GAAP net income and non-GAAP earnings per share to equivalent GAAP measures are included below:

**RECONCILIATION OF GAAP NET INCOME AND EARNINGS PER SHARE  
TO NON-GAAP NET INCOME AND EARNINGS PER SHARE  
(UNAUDITED, IN THOUSANDS EXCEPT PER SHARE AMOUNTS)**

	Year Ended December 31, 2022			
	Pre-Tax	Tax Impact	After-Tax	Per Share Impact
GAAP net income	\$ 82,629	\$ (8,113)	\$ 74,516	\$ 1.29
<i>Non-GAAP adjustments:</i>				
Cost of Sales				
Amortization of intangibles	42,154	(10,335)	31,819	0.55
Operating expenses				
Contingent consideration expense	4,611	14	4,625	0.08
Impairment charges	2,219	(318)	1,901	0.03
Amortization of intangibles	6,300	(1,558)	4,742	0.08
Performance-based share-based compensation <sup>(2)</sup>	5,506	(546)	4,960	0.09
Corporate transformation and restructuring <sup>(3)</sup>	23,757	(5,516)	18,241	0.32
Acquisition-related	2,114	(517)	1,597	0.03
Medical Device Regulation expenses <sup>(4)</sup>	12,933	(3,166)	9,767	0.17
Other <sup>(5)</sup>	7,966	(1,893)	6,073	0.11
Other (Income) Expense				
Amortization of long-term debt issuance costs	604	(148)	456	0.01
Loss on disposal of business unit	1,407	(29)	1,378	0.02
Tax expense related to restructuring <sup>(6)</sup>	-	(4,324)	(4,324)	(0.07)
Non-GAAP net income	\$ 192,200	\$ (36,449)	\$ 155,751	\$ 2.70
Diluted shares				57,671

## OTHER PROXY INFORMATION

**RECONCILIATION OF GAAP NET INCOME AND EARNINGS PER SHARE  
TO NON-GAAP NET INCOME AND EARNINGS PER SHARE  
(UNAUDITED, IN THOUSANDS EXCEPT PER SHARE AMOUNTS)**

	Year Ended December 31, 2021			
	Pre-Tax	Tax Impact	After-Tax	Per Share Impact
GAAP net income	\$ 53,917	\$ (5,463)	\$ 48,454	\$ 0.84
<i>Non-GAAP adjustments:</i>				
Cost of Sales				
Amortization of intangibles	42,453	(10,543)	31,910	0.56
Inventory write-off <sup>(1)</sup>	1,620	(202)	1,418	0.02
Operating expenses				
Contingent consideration expense	3,161	52	3,213	0.06
Impairment charges	4,283	(481)	3,802	0.07
Amortization of intangibles	7,183	(1,798)	5,385	0.09
Performance-based share-based compensation <sup>(2)</sup>	5,035	(604)	4,431	0.08
Corporate transformation and restructuring <sup>(3)</sup>	18,649	(4,620)	14,029	0.24
Acquisition-related	8,473	(2,100)	6,373	0.11
Medical Device Regulation expenses <sup>(4)</sup>	4,036	(1,001)	3,035	0.05
Other <sup>(5)</sup>	16,652	(2,977)	13,675	0.24
Other (Income) Expense				
Amortization of long-term debt issuance costs	604	(150)	454	0.01
Non-GAAP net income	\$ 166,066	\$ (29,887)	\$ 136,179	\$ 2.37
Diluted shares				57,359



**RECONCILIATION OF GAAP NET (LOSS) AND (LOSS) PER SHARE  
TO NON-GAAP NET INCOME AND EARNINGS PER SHARE  
(UNAUDITED, IN THOUSANDS EXCEPT PER SHARE AMOUNTS)**

	Year Ended December 31, 2020			
	Pre-Tax	Tax Impact	After-Tax	Per Share Impact
GAAP net loss	\$(13,231)	\$ 3,388	\$(9,843)	\$ (0.18)
<i>Non-GAAP adjustments:</i>				
<i>Cost of Sales</i>				
Amortization of intangibles	50,696	(13,065)	37,631	0.67
Inventory write-off <sup>(1)</sup>	1,752	(465)	1,287	0.02
Inventory mark-up related to acquisitions	191	(49)	142	0.00
<i>Operating expenses</i>				
Contingent consideration benefit	(7,960)	466	(7,494)	(0.13)
Impairment charges	36,504	(7,115)	29,389	0.52
Amortization of intangibles	7,943	(2,141)	5,802	0.10
Performance-based share-based compensation <sup>(2)</sup>	3,735	(475)	3,260	0.06
Corporate transformation and restructuring <sup>(3)</sup>	14,175	(3,700)	10,475	0.19
Acquisition-related	1,229	(317)	912	0.02
Medical Device Regulation expenses <sup>(4)</sup>	1,379	(359)	1,020	0.02
Other <sup>(5)</sup>	24,438	(3,815)	20,623	0.37
<i>Other (Income) Expense</i>				
Amortization of long-term debt issuance costs	604	(155)	449	0.01
Gain on disposal of business unit	(517)	133	(384)	(0.01)
Non-GAAP net income	\$ 120,938	\$(27,669)	\$ 93,269	\$ 1.65
Diluted shares				56,374

## OTHER PROXY INFORMATION

**RECONCILIATION OF GAAP NET INCOME AND EARNINGS PER SHARE  
TO NON-GAAP NET INCOME AND EARNINGS PER SHARE  
(UNAUDITED, IN THOUSANDS EXCEPT PER SHARE AMOUNTS)**

	Year Ended December 31, 2019			Per Share Impact
	Pre-Tax	Tax Impact	After-Tax	
GAAP net income	\$ 2,193	\$ 3,258	\$ 5,451	\$ 0.10
<i>Non-GAAP adjustments:</i>				
Cost of Sales				
Amortization of intangibles	49,707	(12,730)	36,977	0.66
Inventory mark-up related to acquisitions	1,122	(289)	833	0.01
Operating expenses				
Contingent consideration benefit	(232)	(47)	(279)	(0.00)
Impairment charges	23,750	(6,113)	17,637	0.31
Amortization of intangibles	10,964	(2,884)	8,080	0.14
Corporate transformation and restructuring <sup>(3)</sup>	5,551	(1,433)	4,118	0.07
Acquisition-related	3,497	(743)	2,754	0.05
Medical Device Regulation expenses <sup>(4)</sup>	562	(98)	464	0.01
Other <sup>(5)</sup>	7,282	(1,874)	5,408	0.10
Other (Income) Expense				
Amortization of long-term debt issuance costs	821	(211)	610	0.01
Tax expense related to restructuring <sup>(6)</sup>	—	93	93	0.00
Non-GAAP net income	\$105,217	\$ (23,071)	\$ 82,146	\$ 1.46
Diluted shares				56,235

**RECONCILIATION OF GAAP NET INCOME AND EARNINGS PER SHARE  
TO NON-GAAP NET INCOME AND EARNINGS PER SHARE  
(UNAUDITED, IN THOUSANDS EXCEPT PER SHARE AMOUNTS)**

	Year Ended December 31, 2018			
	Pre-Tax	Tax Impact	After-Tax	Per Share Impact
GAAP net income	\$ 49,519	\$ (7,502)	\$42,017	\$ 0.78
<i>Non-GAAP adjustments:</i>				
Cost of Sales				
Amortization of intangibles	31,795	(8,123)	23,672	0.43
Inventory mark-up related to acquisitions	5,233	(1,347)	3,886	0.07
Operating expenses				
Contingent consideration benefit	(698)	(21)	(719)	(0.01)
Impairment charges	657	(169)	488	0.01
Amortization of intangibles	9,438	(2,503)	6,935	0.12
Corporate transformation and restructuring <sup>(3)</sup>	920	(205)	715	0.01
Acquisition-related	7,584	(1,679)	5,905	0.11
Other <sup>(5)</sup>	6,445	(1,659)	4,786	0.09
Other (Income) Expense				
Amortization of long-term debt issuance costs	804	(207)	597	0.01
Tax expense related to tax reform <sup>(7)</sup>	—	3,005	3,005	0.06
Non-GAAP net income	\$ 111,697	\$(20,410)	\$91,287	\$ 1.69
Diluted shares				53,931

OTHER PROXY INFORMATION

**RECONCILIATION OF REPORTED GAAP OPERATING INCOME (LOSS)  
TO NON-GAAP OPERATING INCOME  
(UNAUDITED, IN THOUSANDS)**

	Year Ended December 31,				
	2022	2021	2020	2019	2018
Net Sales as Reported	\$ 1,150,981	\$ 1,074,751	\$ 963,875	\$ 994,852	\$ 882,753
GAAP Operating income (loss)	87,563	60,916	(1,562)	15,434	58,617
Cost of Sales					
Amortization of intangibles	42,154	42,453	50,696	49,707	31,795
Inventory write-off <sup>(1)</sup>	—	1,620	1,752	—	—
Inventory mark-up related to acquisitions	—	—	191	1,122	5,233
Operating Expenses					
Contingent consideration expense (benefit)	4,611	3,161	(7,960)	(232)	(698)
Impairment charges	2,219	4,283	36,504	23,750	657
Amortization of intangibles	6,300	7,183	7,943	10,964	9,438
Performance-based share-based compensation <sup>(2)</sup>	5,506	5,035	3,735	—	—
Corporate transformation and restructuring <sup>(3)</sup>	23,757	18,649	14,175	5,551	920
Acquisition-related	2,114	8,473	1,229	3,497	7,584
Medical Device Regulation expenses <sup>(4)</sup>	12,933	4,036	1,379	562	—
Other <sup>(5)</sup>	7,966	16,652	24,438	7,282	6,445
Non-GAAP Operating Income	\$ 195,123	\$ 172,461	\$ 132,520	\$ 117,637	\$ 119,991
Non-GAAP Operating Margin	17.0%	16.0%	13.7%	11.8%	13.6%

Note: Certain per share impacts may not sum to totals due to rounding.

- (1) Represents the write-off of inventory related to the divestiture or exit of certain businesses or product lines.
- (2) Represents performance-based share-based compensation expense, including stock-settled and cash-settled awards.
- (3) Includes severance related to corporate initiatives, write-offs and valuation adjustments of other long-term assets associated with restructuring activities, expenses related to the Foundations for Growth Program, and other transformation costs.
- (4) Represents incremental expenses incurred to comply with the E.U. Medical Device Regulation (“MDR”).
- (5) Represents expense from acquired in-process research and development, charges related to abandoned patents, costs incurred in responding to an inquiry from the U.S. Department of Justice (DOJ), legal costs associated with a shareholder derivative proceeding in 2022, accrued class action litigation settlement costs of \$10 million in 2021, net of expected insurance proceeds, accrued contract termination costs of approximately \$6 million in 2021 to renegotiate certain terms of an acquisition agreement, costs to comply with Merit’s corporate integrity agreement with the DOJ, \$18.7 million of settlement costs in 2020 to fully resolve an investigation conducted by the DOJ, and activist shareholder settlement fees in 2020.
- (6) Represents net tax expense related to non-recurring tax withholdings in connection with restructuring of certain international subsidiaries.
- (7) Represents net tax impact related to the enactment of the Tax Cuts and Jobs Act.

**RECONCILIATION OF REPORTED GROSS MARGIN (GAAP)  
TO NON-GAAP GROSS MARGIN (NON-GAAP)  
(UNAUDITED, AS A PERCENTAGE OF REPORTED REVENUE)**

	Year Ended December 31,				
	2022	2021	2020	2019	2018
Reported Gross Margin	45.1%	45.2%	41.6%	43.5%	44.7%
<i>Add back impact of:</i>					
Amortization of intangibles	3.7%	4.0%	5.3%	5.0%	3.6%
Inventory write-off <sup>(1)</sup>	—	0.2%	0.2%	—	—
Inventory mark-up related to acquisitions	—	—	0.0%	0.1%	0.6%
<b>Non-GAAP Gross Margin</b>	<b>48.8%</b>	<b>49.3%</b>	<b>47.1%</b>	<b>48.6%</b>	<b>48.9%</b>

Note: Certain percentages may not sum to totals due to rounding

(1) Represents write-off of inventory related to the divestiture or exit of certain businesses or product lines.

OTHER PROXY INFORMATION

**VOTE BY INTERNET**

*Before The Meeting* – Go to [www.proxyvote.com](http://www.proxyvote.com)

Use the Internet to transmit your voting instructions and for electronic delivery of information. Vote by 11:59 P.M. Eastern Time on May 17, 2023 for shares held directly and by 11:59 P.M. Eastern Time on May 15, 2023 for shares held in the Merit Medical Systems, Inc. 401(k) Profit Sharing Plan. Have your proxy card in hand when you access the web site and follow the instructions to obtain your records and to create an electronic voting instruction form.

*During The Meeting* – Go to [www.virtualshareholdermeeting.com/MMSI2023](http://www.virtualshareholdermeeting.com/MMSI2023)

You may attend the meeting via the Internet and vote during the meeting. Have the information that is printed in the box marked by the arrow available and follow the instructions.

**VOTE BY PHONE - 1-800-690-6903**

Use any touch-tone telephone to transmit your voting instructions. Vote by 11:59 P.M. Eastern Time on May 17, 2023 for shares held directly and by 11:59 P.M. Eastern Time on May 15, 2023 for shares held in the Merit Medical Systems, Inc. 401(k) Profit Sharing Plan. Have your proxy card in hand when you call and then follow the instructions.

**VOTE BY MAIL**

Mark, sign and date your proxy card and return it in the postage-paid envelope we have provided or return it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717.

TO VOTE, MARK BLOCKS BELOW IN  
BLUE OR BLACK INK AS FOLLOWS:



KEEP THIS PORTION FOR YOUR  
RECORDS

-----  
DETACH AND RETURN THIS  
PORTION ONLY

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**THIS PROXY CARD IS VALID ONLY WHEN SIGNED AND DATED.**

**MERIT MEDICAL SYSTEMS, INC.**

**The Board of Directors recommends you vote "FOR" each of the following directors:**

- The election of three (3) directors to the Merit Medical Systems, Inc. Board of Directors for a three (3) year term or until their successors are elected and qualified.

<b>Nominees:</b>	<b>For</b>		
<b>Against</b>	<b>Abstain</b>		
1a. Lonny J. Carpenter	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1b. David K. Floyd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1c. Lynne N. Ward	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**The Board of Directors recommends you vote "FOR" proposals 2 and 4 and "3 Years" on proposal 3.**

- Approval of a non-binding, advisory resolution approving the compensation of the Company's named executive officers as described in the Merit Medical Systems, Inc. Proxy Statement.

<b>For</b>	<b>Against</b>
<input type="checkbox"/>	<input type="checkbox"/>

- Approval of a non-binding advisory resolution to determine whether, during the next six years, the Company's shareholders will be asked to approve the compensation of the Company's named executive officers every one, two or three years.

<b>1 Year</b>	<b>2 Years</b>	<b>3 Years</b>	<b>Abstain</b>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- Ratification of the Audit Committee's appointment of Deloitte & Touche LLP to serve as the independent registered public accounting firm of the Company for the year ending December 31, 2023.

<b>For</b>	<b>Against</b>	<b>Abstain</b>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**NOTE:** In their discretion, proxies are authorized to vote upon such other business as may properly come before the meeting or any postponement or adjournment of the meeting.

Please sign exactly as your name(s) appear(s) hereon. When signing as attorney, executor, administrator, or other fiduciary, please give full title as such. Joint owners should each sign personally. All holders must sign. If a corporation or partnership, please sign in full corporate or partnership name by authorized officer.

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**Signature [PLEASE SIGN WITHIN BOX]**      Date

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**Signature (Joint Owners)**      Date



OTHER PROXY INFORMATION

**Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting:**

The Notice and Proxy Statement and Annual Report are available at [www.proxyvote.com](http://www.proxyvote.com).

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**MERIT MEDICAL SYSTEMS, INC.  
Annual Meeting of Shareholders  
May 18, 2023, 2:00 PM (Mountain Time)  
This proxy is solicited by the Board of Directors**

The undersigned hereby appoints Fred P. Lampropoulos, Brian G. Lloyd and Raul Parra and each of them, as proxies, with full power of substitution, and hereby authorizes each of them to represent and vote, as designated below, all shares of the common stock of Merit Medical Systems, Inc., a Utah corporation (the "Company"), held of record by the undersigned on March 21, 2023 at the Annual Meeting of Shareholders (the "Annual Meeting") to be held virtually via live webcast at [www.virtualshareholdermeeting.com/MMSI2023](http://www.virtualshareholdermeeting.com/MMSI2023), on Thursday, May 18, 2023, at 2:00 p.m., Mountain Time, or at any adjournment or postponement thereof, upon the matters set forth below, all in accordance with and as more fully described in the accompanying Notice of Annual Meeting and Proxy Statement, receipt of which is hereby acknowledged.

This proxy also provides voting instructions to the Trustee of the Merit Medical Systems, Inc. 401(k) Profit Sharing Plan and directs such Trustee to vote at the Annual Meeting all of the shares of the Company's Common Stock which are allocated to the undersigned's employee plan account in the manner directed on the reverse side of this card. If no direction is given or if direction is received after May 15, 2023, the Trustee will vote the shares in the same proportion as to which it has received instructions from other plan participants.

**This proxy card, when properly executed, will be voted in the manner directed herein. If no such direction is made, this proxy will be voted in accordance with the Board of Directors' recommendations (FOR Proposals 1, 2 and 4 and ONE YEAR on Proposal 3) and in the discretion of the proxies, or Trustee of the Merit Medical Systems, Inc. 401(k) Profit Sharing Plan, as applicable, upon such other matters as may properly come before the Annual Meeting. The undersigned shareholder may revoke this proxy card at any time before it is voted at the Annual Meeting by executing and returning a proxy card bearing a later date by mail, by voting via the Internet, by filing with the Secretary of the Company, at the Company's address set forth in the Notice of Annual Meeting and Proxy Statement, a written notice of revocation bearing a later date than the proxy card being revoked, or by voting the Common Stock covered thereby in person at the Annual Meeting.**

(Continued and to be marked, dated and signed on reverse side)

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