

# 2019 SUSTAINABILITY REPORT



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UNDERSTAND.  
INNOVATE.  
DELIVER.™

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A handwritten signature in blue ink that reads "Fred Lampropoulos". The signature is fluid and cursive, matching the professional appearance of the man in the adjacent portrait.

Fred Lampropoulos  
Founder, Chairman, and CEO

## A message to our stakeholders

Merit Medical is a leading manufacturer and marketer of disposable medical devices used in interventional, diagnostic, and therapeutic procedures, particularly within the fields of cardiology, radiology, oncology, critical care, and endoscopy. With more than 30 years of industry experience, we believe that long-term value is created for our customers, employees, shareholders, and communities when we focus outward and are determined to deliver an exceptional customer experience. Merit Medical products save and improve lives. We understand the role we play in the lives of patients across the globe each and every day as well as the communities in which we live and work.

Merit Medical's commitment to sustainability is ingrained throughout the company, from the dedicated team of members at each of our sites around the globe to our Board of Directors who receive regular briefings and provide input on our sustainability programs. We understand the importance of our actions within all phases of delivering our products to customers, including the raw materials we use, the production and manufacturing choices we make, and the methods we employ to package and deliver these products to the end user. At all levels, Merit Medical's operations reflect our commitment to building a sustainable community.

We consider our team members across the globe our greatest asset. Merit Medical employees are passionate about making a difference in the world. They play an important role in the company's commitment to sustainability and the overall ability to reach company goals set each year. In return, Merit Medical is committed to providing team members with a safe and caring work environment where talent and diversity are valued and respected. Merit Medical is proud to provide a high standard of employee wellness, including customized health programs at each facility that meet the unique needs of employees. Each program is overseen directly by Merit Medical's Chief Wellness Officer (CWO), Dr. Nicole Priest.

Merit Medical sets goals by working to engage and understand what is most important to our customers, our community, our shareholders, and our business. I am proud of what we have accomplished and look forward to progressing through our journey to deliver a sustainable business for the future.



*Alisha Jerauld*

Alisha Jerauld  
Vice President, Environment,  
Social, and Governance

## Merit's corporate commitment

At Merit Medical, we understand and recognize our responsibility to the future by being a good corporate citizen. We work hard to conduct our business in a sustainable and transparent manner, recognizing the importance of this to our customers, supply chain partners, and employees who are striving to achieve their own sustainability and responsibility goals and objectives.

Merit Medical is dedicated to reducing the company's overall environmental footprint. To do so, we conduct ongoing evaluations of our performance on preventing pollution and emissions, reducing waste, and promoting the sustainable use of natural resources. This specifically includes considering new green building technologies at the start of all construction projects, looking for ways to improve how we ship our products, and expanding our employee pollinator garden—a resource that provides farm-to-table nutrition for employees at our Utah headquarters. Through this and more, we are dedicated to applying our culture of innovation to lessen our impact on the world around us.

By partnering with our internal and external stakeholders, we seek to better understand the areas where we can have the most significant impact. As a leader in the medical device industry, we have identified key areas of materiality for our business and are working towards initiatives that provide real and measurable progress toward these areas of sustainable improvement.

Merit Medical's sustainability story is one of contribution and dedication from our amazing global team. I am honored to accept the leadership of these efforts and would like to recognize the commitment and pride of our entire Merit Medical team. Together we are committed to building a sustainable world for our business, our future generations, and our communities.

# About Merit Medical

## GLOBAL NUMBERS

**995 M**  
in 2019 Net Sales (\$US)

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**6,420+**  
Global Team Members

---

**2 M** Square Feet of  
Manufacturing, Commercial, Distribution,  
and Research Space

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**2.8 M**  
Components Manufactured Each Day

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Merit Medical is a leading manufacturer and marketer of proprietary disposable medical devices used in interventional, diagnostic, and therapeutic procedures, particularly within the fields of cardiology, radiology, oncology, critical care, and endoscopy.

We strive to be the most customer-focused company in healthcare. Each day we are determined to make a difference by understanding our customers' needs and innovating and delivering a diverse range of products that improve the lives of people and communities throughout the world. We believe that long-term value is created for our customers, employees, shareholders, and communities when we focus outward and are determined to deliver an exceptional customer experience.

Merit Medical was founded in 1987 by Fred P. Lampropoulos, Kent W. Stanger, Darla Gill, and William Padilla. Initially, we focused our operations on injection and insert molding of plastics. Our first product was a specialized control syringe used to inject contrast solution into a patient's arteries for a diagnostic cardiac procedure called an



angiogram. Since that time, our sales, products, and product lines have expanded substantially, both through internal research and development projects and through strategic acquisitions.

Merit Medical's headquarters is in South Jordan, Utah, a suburb of Salt Lake City. Our principal facility for European operations and manufacturing is located in Galway, Ireland, and our principal office for Asian distribution is located in Beijing, China. We support our European operations from a distribution and customer service facility located in Maastricht, The Netherlands. In addition, we lease commercial space in India, Hong Kong, Italy, Dubai, Australia, Russia, Canada, Brazil, Malaysia, South Korea, Japan, South Africa, Great Britain, Vietnam, Taiwan, New Zealand, Indonesia, and France. We also lease commercial space in the United States in Massachusetts and Texas. Our principal manufacturing and packaging facilities are in Virginia, Texas, Utah, Pennsylvania, Ireland, Brazil, Australia, France, Singapore, Mexico, and The Netherlands. Our research and development activities are conducted principally at facilities located in Utah, California, Texas, Pennsylvania, Ireland, France, and Singapore.

Merit Medical's total manufacturing, commercial, distribution, and research space is approximately 2.0 million square feet. During 2019, Merit Medical had approximately 6,420 team members worldwide, manufactured approximately 2.8 million units per day, and earned \$995M in net sales.

## WE ARE MERIT MEDICAL



Wellness, Health & Safety

Our employees are  
our greatest asset

# Wellness, Health & Safety

## Highlights



On-site Healthcare & Dental Clinics



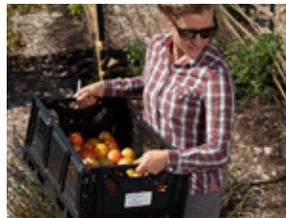
Wellness Challenges



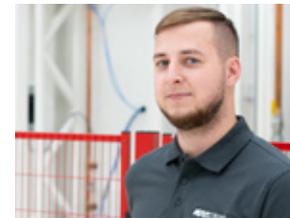
Global Chief Wellness Officer



AED & CPR Training



Farm-to-Table Program (Garden)



Safety Teams and Training

# Wellness, Health, & Safety

We value our employees and their contribution to the Merit Medical family, which is why we recognize that overall employee well-being is just as important as a clean and safe environment. Merit Medical's wellness, health, and safety programs are designed to provide the systems and tools to help our team members thrive.



Nicole Priest, MD  
Chief Wellness Officer

Laura Flower  
Community Garden  
Project Coordinator

## Wellness

As a global employer, Merit Medical provides immense opportunities to improve the well-being of employees around the world. In 2019, the position of Chief Wellness Officer (CWO) was added to our C-Suite. As CWO, Nicole Priest, MD, leads Merit Medical's wellness programs and is making a big difference in the lives of employees.

*"Helping people make positive, impactful lifestyle changes is my passion, and it's incredibly rewarding to assume a leadership role in an organization that shares that passion. As CWO, I will ensure that Merit continues and expands its commitment to investing in employee health, well-being, and satisfaction."*

—Nicole Priest, MD, Merit Medical CWO

# 1400 lbs

Produce Supplied

In 2019, the total amount of produce supplied to Merit Medical cafés was 1400 lbs.

## Merit Medical Employee Garden and Greenhouse

Merit Medical knows that well-being means both physical and mental health. Providing a balance between a healthy body and a healthy mind is the thesis behind our employee gardening program. Designed to improve employee physical and mental health, the acre-plus employee garden at our Merit Salt Lake City facility helps to create more



balance in the workday while also providing access to fresh produce. With 82 employee garden boxes, a small orchard of fruit trees, a greenhouse, and a separate area to grow food for the two on-site cafés, Merit Medical employees enjoy more than fresh produce.

*“Our gardening program is a resource that gives employees an outdoor oasis for tending plants, growing their own food, enjoying lunch and breaks with other employees, and taking a moment to reconnect with the earth and reduce their stress levels.”*

—Nicole Priest, MD, Merit Medical CWO

The garden program also provides a sense of community and connection within our team. Employees can partner together to share garden boxes, volunteer to weed during harvest season over lunch breaks in exchange for a basket of fresh produce, enjoy after-work harvest parties, participate in gardening and cooking workshops led by Merit Medical’s full-time horticulturist, and contribute to annual plant sales that benefit employees in need during the holidays.

# 90-day

## Wellness Challenge

Change or enhance your lifestyle in 90 days for a jump-start on a long and healthy life!

## Merit Medical Employees Who Take the Challenge

One of Merit Medical’s popular wellness programs offers an exciting challenge:

**Change or enhance your lifestyle in 90 days for a jump-start on a long and healthy life!**

Our 90-day Wellness Challenge at Merit Salt Lake City helps employees reach their healthcare goals. Merit Medical employees who choose to participate receive an initial confidential assessment by our on-site physician and

16 pounds average weight loss

Average weight loss per week of 1 to 2.5 pounds

dietitian who together review current health information, such as weight, BMI, cholesterol levels, and glucose levels. Participants then work with fellow employee team members on several challenges that include eating at least five servings of fruits and vegetables each day, drinking at least 64 oz of water each day, and exercising for 30 minutes five times each week. Participants review their weight, chart their progress, and attend 1-hour group meetings every week. Meeting topics include appropriate serving sizes, healthy food options, mindful eating, and exercise recommendations and tips.

The success factors are adding up! The average total 90-day weight loss per employee is 16 pounds with an average weight loss per week of 1 to 2.5 pounds. Employees with high cholesterol, prediabetes, and high blood pressure have experienced improvement and even reversal of these risk factors, helping pave the way to living a healthier life.

## Expanding Wellness Programs in Tijuana and Galway

Merit Medical's wellness philosophy is spreading around the globe. At Merit Tijuana, our largest international manufacturing site outside of the United States, employees can participate in Merit Fit, a 6-week fitness challenge program that offers opportunities for regular exercise and weight-loss tracking. Merit Tijuana employees engage in on-site group cardio classes before work each day as well as weekly weigh-ins and recognition for their hard work and success.

Merit Tijuana employees also form company-sponsored soccer teams that participate in local league tournaments, giving employees a sense of community and team empowerment. They are supported and cheered on by fellow coworkers, family, and friends as they represent their company each year.





At Merit Galway our employees are embracing physical and mental wellness by participating in on-site services, such as health coaching, yoga classes, and preventative screenings for high cholesterol, diabetes, prostate cancer, and breast cancer. Employees can also attend periodic Lunch and Learn events that present topics on weight loss and exercise. In 2019, Merit Galway sponsored a mental health week to bring awareness to and combat the negative stigma surrounding mental health issues. This program had great success with involvement of over 400 employees.

## 5 years of zero increases

Zero increases to employee health insurance premiums in 5 consecutive years

### On-site Health and Dental Care

Merit Medical knows that healthcare can be costly, which is why we operate on-site health clinics at our largest facilities, Merit Salt Lake City and Merit Tijuana. Our clinics are staffed with highly trained medical professionals. Services and treatments include vaccines, diabetes care and management, blood work, smoking cessation, cancer



screenings, illness and infectious disease diagnosis and treatment, women’s health, physicals, weight management, pharmaceutical dispensary, nutrition consultations, on-site EAP counseling services, and much more. Merit Medical also operates a free on-site employee dental clinic at Merit Salt Lake City. Employees and their families receive cleanings, x-rays, fillings, and other dental work at zero cost.

Our clinics and programs offer convenient and effective healthcare for our valued employees and have resulted in 5 consecutive years of zero increases to employee health insurance premiums (for those participating in Merit Medical’s healthcare insurance coverage).

# Environmental Health and Safety

Merit Medical promotes 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 (EHS), 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, EHS is an integral part of our culture and a driver for sustainable growth.



Merit Medical Employees Featured on KSL TV (NBC) for Saving Coworker's Life. [Find the full story here.](#)

## ENVIRONMENTAL HEALTH AND SAFETY POLICY

Merit Medical is committed to protect the health and safety of our employees, customers and the public, and intends to conduct all business activities in an environmentally and socially responsible manner. Merit Medical will implement this policy through the following principles and actions:

**Environmental Health and Safety (EHS) Excellence**  
 Merit Medical is committed to continually meeting or exceeding all applicable EHS legal and other requirements, company standards and voluntary initiatives to which we subscribe. We promote a culture that ensures everyone across the organization is accountable and responsible for environmental, health and safety compliance. We ask every employee to actively champion the behaviors and attitudes necessary to prevent work-related injuries, illnesses, property damage, and adverse impact to the environment. In this way, EHS is an integral part of our culture and a driver for sustainable growth.

**Business Sustainability and EHS Impact**  
 Merit Medical promotes a culture where the health and safety of our employees, contractors, suppliers, partners and customers are of utmost importance. EHS impacts are considered in all Merit Medical's business decisions and actions in order to prevent pollution, climate hazards and reduce the associated risks. We pursue a path of continual improvement to investigate, understand, and mitigate EHS risks during all phases of our business to continue improve the EHS Management System (EHSMS).

**Employee Health and Well-Being**  
 Merit Medical acknowledges the potential impact that work has on an individual's physical and mental health, and we have a moral and legal duty to take steps to promote employee well-being as far as reasonably practical. We are committed to fostering a culture of cooperation, trust and mutual respect, where all individuals are treated with dignity and can work at their optimum level through consultation and participation of workers. We provide health education and healthy lifestyle programs, which assist every employee in making the healthiest and most informed personal choices.

**Workplace Engagement**  
 We consider engagement with our employees, customers, communities, supply chain partners, and other interested parties as an integral part of understanding, educating about key issues and fostering sustainable growth. These exchanges improve our understanding of our stakeholders' interests and improve our goal setting and reporting processes.

**Monitoring and Measuring Compliance**  
 We measure, monitor and verify compliance with this policy through internal and external audits and reviews. We establish EHS performance objectives and metrics to assess and improve our policies, procedures, and practices and remain open and transparent in our EHS communication with our employees, stakeholders and community. Our employees are given the education, skills and training to exceed this policy's expectations.

David Longmire  
Chief Compliance Officer

Sara Post  
Chief EHS Officer

Akiba Samad  
EHS Compliance  
Lead & Coordinator

Understand. Innovate. Deliver.™



## Merit Medical's Environmental Health and Safety Management System (EHSMS)

We subscribe to policies, systems, and tools that allow us to embed our culture of innovation with environmental health and safety to take care of our people and environment. Our EHS policy is displayed prominently at our locations as a visual reminder of the commitment we all have for the health and safety of our environment and our Merit Medical family. Our trained and dedicated EHS teams utilize systems and tools to track and report on metrics and indicators that help to drive forward awareness for environmental health and safety while identifying and tracking closure to corrective actions. They also facilitate awareness by implementing observation reporting. Our philosophy of "see something, say something" is pivotal to keeping our employees safe and our injury rates low.



# CPR & AED training

Employees have the opportunity to be trained in Hands-Only CPR and early defibrillation with an AED emergency device. [Read more here.](#)

During daily tier meetings, employees from all levels of manufacturing operations report on safety trends and observations. From near misses and observations of unsafe conditions to behavior-based safety reporting, Merit Medical's commitment to provide a safe and healthy environment is in action.

In 2019, Merit Galway and Merit Singapore held ISO 14001 certifications, and our other manufacturing sites around the globe began the process of ISO 14001 certification.

## Merit Medical Safety Heroes in Action

As a healthcare company that puts people first, Merit Medical recognizes the importance of going above and beyond to keep employees safe. Our employees have the opportunity to be trained in Hands-Only CPR and early defibrillation with an AED emergency device, equipping them with the knowledge they need in the case of a cardiac arrest emergency. These trained employees are in addition to a team of skilled, on-site first responders. In the event of an emergency, our Emergency Response System efficiently alerts these trained individuals to act.

Our efforts have had a notable impact on employee safety. At Merit Salt Lake City, available on-site training, the wide accessibility of AED devices, and the presence of our Code Blue Emergency Response Team enabled Merit Medical employees to act and save the life of a fellow colleague who went into cardiac arrest.



Compliance & Ethics

Merit Medical is committed  
to a strong compliance and  
ethics culture

# Compliance & Ethics

Merit Medical Compliance & Ethics Policies  
Click the below links to read the full policies.

[Merit Medical Environmental Health & Safety Policy](#)

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[UK Modern Slavery and Human Trafficking Statement](#)

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[Human Rights and Labor Standards Policy](#)

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[Merit Medical Code of Business Conduct & Ethics](#)

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[Code of Conduct for Suppliers](#)

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[California Transparency Act](#)

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[California Declaration of Compliance](#)

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[Conflict Minerals Policy](#)

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[Merit Medical Alert Line](#)

Merit Medical is committed to a strong compliance and ethics culture. 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.

## Building Trust

At Merit Medical, we know that responsible business practices are essential to fulfilling our mission of saving and improving people's lives. We demonstrate this advocacy by maintaining ethical and responsible policies and practices and embedding these throughout all levels of the organization. We hold ourselves accountable to the highest standards of honesty, fairness, and integrity.



## Compliance Oversight

As a healthcare company, Merit Medical's compliance and anti-corruption policies are designed to ensure interactions with medical or healthcare professionals are intended to benefit patients and enhance the practice of medicine. Every Merit Medical employee is responsible for adhering to these policies as well as complying with all laws and regulations, e.g., U.S. Anti-Kickback Statute, the FCPA, export and import regulations, advertising and promotion laws, and applicable Sunshine/Transparency Laws.

Our business practices are monitored and subject to control systems, which are overseen by Merit Medical's Chief Compliance Officer, who reports regularly to an established Compliance Committee and the Board of Directors. Merit Medical frequently communicates compliance standards and provides periodic training to appropriate employees, monitors and conducts risk assessments tailored to the nature of Merit Medical's business operations, promotes and enforces a compliance program consistently throughout the organization, and publicizes the Merit Medical Alert Line, a system administered by a third party, for confidential reporting of potential or actual misconduct without fear of retaliation.



# \$400K

## Unrestricted educational grants

Merit Medical provided more than \$400,000 in unrestricted educational grants to support medical education in the United States.

## Combating Healthcare Fraud and Corruption

To build patient-focused relationships with healthcare providers based on integrity, trust, and honesty, Merit Medical continues to strengthen and enforce global compliance and anti-corruption initiatives designed to ensure that business is never won through bribes, kickbacks, or other illegal payments. This effort includes extensive training of employees and hundreds of third-party distributors, due diligence when onboarding employees and third parties, compliance risk assessments, monitoring our interactions with healthcare providers, and transparency (Sunshine) reporting. In 2019, we made improvements to our grant policies and processes, and we adopted new policies, controls, and training intended to enable the accurate tracking of capital equipment and evaluation products. Through a process overseen by Merit Medical's Grants Committee, we provided more than \$400,000 in unrestricted educational grants to support medical education in the United States and donated numerous products for use and training to support medical missions in Africa, the Caribbean, and Central America.

## Conflict Minerals

In 2019, Merit Medical conducted a good faith and reasonable country-of-origin inquiry regarding the origin of the gold, tin, tungsten, and tantalum (3TG) necessary for the functionality or production of products manufactured, or contracted to be manufactured, by or for Merit Medical. The reasonable country-of-origin inquiry consisted of a survey of supply-chain suppliers of parts or materials necessary for the functionality or production of products manufactured by or for Merit Medical.

Merit Medical utilized the Organization for Economic Co-operation and Development Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, to the extent practicable and reasonable given Merit Medical's particular supply chain and industry. Merit Medical sought to identify the originating smelter or refinery for 3TG to discover whether the smelter or refinery had been determined to be conflict free by existing industry and/or trade association programs.



[Read report here.](#)



Environmental Sustainability

# Developing our business with future generations in mind

# Environmental Sustainability

## Highlights



Scrape Your Plate Program



MeritSmart™ Shipping



Electric Vehicle Charging Stations



Paperless Work Orders (eWORQ)



Partnering with Green Suppliers



Intra-Merit Medical Shipping



Renewable Energy Support Programs



Recycling



Public Transportation



Reduction in Water Usage

# Environmental Sustainability



Merit Medical is always considering ways to reduce the company's overall environmental footprint. We implement new programs to combat climate change, reduce waste, conserve resources, and improve the areas where we do business.

## Understanding Our Environmental Risks

As a leading global medical device manufacturer of single-use, plastic medical products, Merit Medical has a significant role in saving lives and ensuring patient safety. We also understand that the disposal of the devices we manufacture has an impact on the environment. That is why we are striving to make a difference in the area of waste reduction by increasing our recycling and reuse programs. From our corporate strategies to our individual manufacturing sites, sustainability projects are always in the works.

## Combating Climate Change

Merit Medical recognizes the reality of climate change and our own responsibility to contribute to the reduction of greenhouse gas emissions. Around the globe, many Merit Medical facilities have embraced programs to reduce emissions and contribute to efforts that combat climate change.



1.7 metric tons of CO<sub>2</sub>

That is the same amount of emissions it would take to provide enough energy to charge 165,725 smart phones!

## Sustainable Energy

At Merit Salt Lake City, our Scrape Your Plate program has resulted in several tons of food waste diverted from the local landfill to an anaerobic digestion plant in North Salt Lake City. By diverting this waste, Merit Medical helps to reduce methane gas emissions that contribute to the air quality in our high-elevation mountain valley. Our food waste is processed, resulting in a natural source of methane gas that is pumped back into the natural gas system and used to heat homes and businesses. Since the launch of the program in 2019, Merit Medical employees have prevented 1.7 metric tons of CO<sub>2</sub> emissions. These emissions would provide enough energy to charge 165,725 smart phones!

Merit Medical also participates in the Blue Sky program through its electricity utility provider in Utah. The Blue Sky program allows consumers to purchase blocks of power from sustainable energy sources, such as wind and solar, resulting in annual savings of CO<sub>2</sub> emissions.

# 15% reduction in emissions

Merit Tijuana operates 13 new propane-powered Mercedes buses to transport more than 900 employees to and from the facility each workday.



## Reducing Emissions

At Merit Salt Lake City and Merit Galway, the company promotes the usage of electric vehicles by providing employees with on-site, electric vehicle-charging stations. These stations have resulted in the prevention of 7,785 kg of GHG emissions. That is the equivalent of planting 200 trees and letting them grow for ten years!

Also at Merit Galway, employees are using more public transportation thanks to Merit Medical's leading role in offering solutions to local authorities and the IDA to make land available for bus shelters and widen roads to facilitate infrastructure. Merit Galway also encourages employees' usage of these public transportation systems by adopting the GoCar program—a private vehicle program that provides rides to employees who need to run short, miscellaneous errands during the workday.

Merit Tijuana operates 13 new propane-powered Mercedes-Benz buses to transport more than 900 employees to and from the facility each workday. These buses provide safe and efficient transport for our valuable team members in



# 1,400 pounds

total produce used in Merit Medical cafés in 2019.

Tijuana. They also reduce emissions by approximately 15% as compared to diesel engines and provide a significant reduction to lifecycle petroleum use.

At Merit Salt Lake City, our Farm-to-Table program includes a large garden and greenhouse dedicated to growing fruits and vegetables for use in our two on-site cafés. Not only does this program provide fresh, in-season, nutrient-dense produce for our valuable team members, it also decreases the amount of produce shipped to our facility, greatly reducing our environmental footprint. In addition to nutritious food, the garden also generates oxygen-producing trees and shrubbery designed to support pollinating insects.



## Purchasing from Suppliers Who Do Their Part

While we strive to do our part, we know our customers are trying to reach their sustainability goals as well. That is why Merit Medical is increasingly partnering with suppliers that move these goals forward.

For example, one of Merit Medical's largest suppliers of paperboard folding carton packaging is certified by the Forest Stewardship Council (FSC) for its use of paperboard that is Chain of Custody (CoC) certified, indicating the materials are exclusively sourced from responsibly managed forests, sustaining forests for future generations. FSC's forest management standards expand protection of water quality, prohibit harvest of rare old-growth forest, prevent loss of natural forest cover, and prohibit highly hazardous chemicals, which are all unique aspects of the system. This supplier also manufactures 100% of its packaging with energy offset by renewable wind energy credits, creating a carbon-neutral manufacturing footprint and enabling legal entitlement to claim and use a logo stating "Carton Made With Wind Energy" on our packaging.



## Reduce, Reuse & Recycle

Merit Medical has always engaged in programs to recycle company waste. In recent years, we also implemented many programs that take a closer look at our processes upstream from recycling, resulting in ongoing projects to reduce and reuse materials as much as possible. By looking for ways to reduce and reuse, the overall reduction of waste sent to recycling and landfills has been remarkable.

## Small Reductions in Production Bring Big Results

In our manufacturing of millions of products each year, we are committed to finding new ways to reduce excess materials and greener methods of producing the high-quality products our customers want. Merit Medical's strong culture of "Understand, Innovate, Deliver™" is behind the many improvements we have made to our production processes, making them more efficient and sustainable.

# 2.8M in estimated savings

Merit Medical's internally designed eWORQ program estimates a savings of 2.8 million sheets of paper and 20,000 plastic sleeves annually.

Our internal system of utilizing reusable plastic totes and pallets for intercompany shipping of components and products has vastly reduced the amount of corrugated and packing materials used. With more than 12 manufacturing centers worldwide that transport millions of goods between sites throughout the year, the reduction in boxes and shipping materials really adds up.

Merit Medical's internally designed eWORQ program is transitioning our operating lines in Merit Salt Lake City from paper to electronic work orders. This pilot program at our corporate headquarters will reduce the amount of paper used in the production process. Once it is fully implemented at all of our manufacturing sites, we estimate an annual savings of 2.8 million sheets of paper and 20,000 plastic sleeves.

Our packaging engineers have designed and implemented a process that reduces blister packs and film thickness in several Merit Medical products. This newly designed packaging saves more than 20 tons of plastic per year without compromising quality.

Within our molding operations, we have designed reusable universal transport trays that allow us to ship molded components to our sister facilities without utilizing disposable trays for packaging. These reusable trays allow us to avoid using over 1,600 disposable trays per month.

Merit Tijuana employees are making small changes to reduce the amount of water they use. In gowning rooms, handwashing stations with multiple faucets that simultaneously turn on have been replaced with single-use-faucet handwashing stations.



[Read more here.](#)

## A Better, More Sustainable Form of Shipping

Whether it is intercompany shipping or shipping to our customers, we continue to evaluate and enhance our system to reduce the materials we use.

The MeritSmart™ Shipping program is designed to ship select Merit Medical products to customers in original packaging, eliminating the need for additional shipping materials. This innovative strategy has resulted in a reduction of more than 100 tons of corrugated shipping boxes and plastic bubble wrap materials per year. When our customers see the Merit Smart Shipping logo on their packages, they know they have purchased products from a company who cares about making changes that have positive impacts on the environment.

How can Merit Medical make a difference? Develop a system of reusing a portion of incoming corrugated shipping boxes.



Merit Medical's Maastricht Distribution Center—a site that services our customers in Europe, the Middle East, and Africa (EMEA)—developed a system of reusing a portion of incoming corrugated shipping boxes. Whenever possible, these boxes are used to ship consolidated boxes of products to our customers without compromising our high standards of customer care and quality, demonstrating that even small efforts can make a difference!

**MERIT MEDICAL R&D LAB**  
UNDERSTAND. INNOVATE. DELIVER.™

Diversity & Talent

We recognize and value  
the people who are key to  
Merit Medical's success

# Diversity & Talent

## Highlights



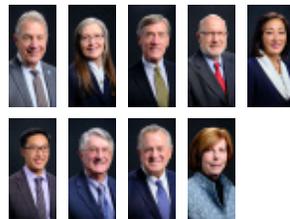
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Executive  
Leadership



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Investing in Our  
Future Workforce



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Diversity in  
Leadership



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Promoting  
Gender Equality



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Inclusion  
of Secondary-  
Language Speakers

# Diversity & Talent

At Merit Medical, we recognize and value the people who make up our company and see them as a key to our success. We encourage a culture of mutual respect, where everyone feels valued and respected, helping to foster an environment of understanding and appreciation for the similarities and differences among our teams, customers, communities, and other stakeholders.

**25%** women and/or minorities

in Merit Medical's Executive Leadership.

**4 of the 9**  
board of directors

are women and/or minorities.

## Diversity in Executive Leadership

Merit Medical's executive leadership is made up of approximately 25% women and/or United States minorities. Moreover, four of the nine of Merit Medical's Board of Directors are women and/or United States minorities.

Merit Medical is committed to supporting a diverse and inclusive workforce. We understand that a diverse workforce leads to greater innovation and opportunities, and it increases our access to qualified talent. Merit Medical does not tolerate harassment or discrimination of any applicant, employee, customer, or service provider because of age, race, color, religion, sex, ancestry, national origin, military service or application, marital status, citizenship status, physical or mental disability, genetic information, sexual orientation, gender identity or expression, or other protected characteristics under federal, state, or local law. Discrimination and harassment based on any of these characteristics is a violation of company policy and is unacceptable.



Executive Leadership



Board of Directors

# Attracting, Developing, and Retaining Top Talent



Increasing our ability to attract, develop, and retain talent at all levels of the organization is important to us. We continue to integrate diversity and inclusion strategies within our business, recruitment efforts, and internal initiatives. During 2019, Merit Salt Lake City introduced Spanish-Speaking Production Lines, a program that allows us to be more inclusive by providing jobs and benefits to valuable employees who speak Spanish as their primary language.

An important retention program at Merit Medical is our system of recognizing dedicated service. We celebrate milestones of service in 5-year increments by creating yearbooks with pictures and notes from managers and co-workers, recognizing the valuable contribution each employee makes to the Merit Medical team.



## Education Programs in Tijuana

Merit Tijuana partners with the local school system to provide employees with the opportunity to continue their education on-site. This includes courses to complete middle, junior high, high school, university, and engineering diplomas as well as quality certification. In 2019, 65 employees benefited from this program.



## Investing in Our Future Workforce

During April 2019, we sponsored our annual Kid-to-Work Day. We had 150 children of 90 employees participate in this all-day event. The sessions included touring the facility, building a robot, writing resumes, interviewing for jobs, and creating personal websites.

Each year at Merit Tijuana, employees host a Back-to-School Fair to support the children of team members who are pursuing education. This program works with vendors to supply shoes, school uniforms, and needed supplies to students, allowing Merit Medical team members to assign future earnings to finance these items. In 2019, 500 children benefited from this program.



## Diversity & Equality – Ireland

Merit Medical has partnered with the charity Dress for Success Dublin to promote gender equality. The organizations hold a number of events for members of the local community on and off campus.

By hosting a roundtable event in advance of International Women’s Day, attendees were able to explore gender equality in the workplace from a number of angles. This included experience within the medtech sector, articulated by Merit Medical’s Grainne O’Meara, Senior Director of Human Resources, Europe.

NUI Galway’s Dr. Michelle Millar spoke of her experience as a researcher and discussed the challenges facing single parents in the workforce. Sonya Lennon spoke about her work with Dress for Success and supporting women returning to the workforce.

An aerial photograph of a town with a large mountain range in the background. The town features various buildings, including a prominent white building with a tower, and a parking lot with several cars and a white truck. The mountains are rugged and brownish, suggesting a dry climate. The sky is clear and blue.

Philanthropy

# Giving back to local communities

# Philanthropy

## Highlights



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Supporting  
Our Own



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Funding Local  
Empowerment  
Programs



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Promoting  
Healthcare  
in Underserved  
Regions



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Children's  
Programs



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Supporting Local  
Issues



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Partnering with  
Associations



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Supporting  
Awareness of Key  
Healthcare Issues



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Supporting  
Local Awareness  
Campaigns

# Philanthropy

At the beginning, Merit Medical 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.

## Giving Back Is in Our Culture

Merit Medical is committed to creating a better world by giving back. Through financial contributions, product donations, employee time and dedication, and collaboration with global and local non-profit organizations, we support programs that help empower tomorrow's leaders, care for those in need, and increase awareness about healthcare challenges around the world.



## Promoting Healthcare in Underserved Regions

Merit Medical works with charitable organizations around the globe to distribute products to non-profits, hospitals, and clinics that help meet the needs of underserved communities in emerging countries.

Our goal is to improve the lives of people, families, and communities worldwide. The organizations we partner with align with this mission and work tirelessly to develop ways to help more patients in need.

## Pediatric Care

In developing countries, sick children are unlikely to have access to life-saving treatments. That is why we partner with organizations around the globe to bring care to children who need it.



**Mending Kids (Tanzania):** Merit Medical's product donations supported Mending Kids, an organization that offers free, life-saving surgical care to sick children around the world. Its volunteer medical teams care for children and educate local medical staff and communities.

**Gift of Life International (El Salvador):** Through the work of Gift of Life International, Merit Medical's product donations helped physicians and nurses in pediatric cardiac centers worldwide provide reliable care and critical treatment to children in their country or region of birth.

**Heart Care International (El Salvador):** Merit Medical donated products to Heart Care International, an organization that provides free, high-quality surgical and medical care to children and teenagers with heart disease in developing countries. Heart Care International also trains host-country medical professionals to perform critical diagnostic and surgical therapies, helping them to treat patients independently into the future.



## Cardiac Care

Cardiovascular diseases are the number one cause of death globally, with more than three quarters of these deaths taking place in low- and middle-income countries.<sup>1</sup> Merit Medical donates products to organizations that make treatments accessible to patients who otherwise could not afford cardiac care.

**Boston Cardiac Foundation (Ethiopia):** Our product donations supported the Boston Cardiac Foundation (BCF), an organization that provides medical technologies and services to less-developed countries around the globe. BCF physicians, nurses, and technologists perform cardiac procedures free of charge.

Mending Kids (Tanzania), top image  
Gift of Life (El Salvador), bottom image

1. World Health Organization. (2017 May 17). Cardiovascular diseases (CVDs) key facts. Retrieved from <https://www.who.int/news-room/fact-sheets/detail/cardiovascular-diseases-cvds>

## Renal Care

Ten percent of the world's population is affected by chronic kidney disease (CKD), and millions die each year because they do not have access to affordable treatment.<sup>2</sup> To help make life-prolonging dialysis treatments available to these patients, Merit Medical donates products to programs that use them.



**Bridge of Life (Jamaica):** Merit Medical's products went a long way to help kidney patients cared for by the Bridge of Life (BOL) organization. Inspired by DaVita Inc., BOL supports many facets of kidney care, including dialysis clinic upgrades, clinical and technical training, patient treatment and follow-up care, and patient education.

2. National Kidney Foundation. (2015 Mar). Global facts: About kidney disease. Retrieved from <https://www.kidney.org/kidneydisease/global-facts-about-kidney-disease>

# \$700K in donations

Merit Medical donated approximately \$700,000 to support a vast number of charities and initiatives in various states and countries.

## Giving Back to Our Communities

It takes communities to care for people. Through charitable donations, contributions of time, and company resources, Merit Medical gives back to communities, reflecting our mission to improve lives worldwide. In 2019, Merit Medical donated approximately \$700,000 to support a vast number of charities and initiatives throughout the United States and in other countries.

## Raising Awareness

Bringing visibility to the issues people face sparks change. By participating in community outreach programs and events that elevate these issues, Merit Medical creates more opportunities for understanding, connection, and compassion throughout the world.

## Shedding Light on Addiction

Merit Medical's global headquarters is a proud sponsor of KUTV 2 (NBC) News Addicted Utah, a campaign that sheds light on issues surrounding addiction and provides resources for individuals and their families.



Addicted Utah: Former TV news anchor shares his story of a decades-long addiction (Photo: KUTV)



**\$32K** donated

We exceeded our goals and efforts to recognize breast cancer awareness and donated \$32,000 to BreastCancer.org.

## Supporting Breast Cancer Awareness

Every October, Merit employees recognize Breast Cancer Awareness Month through facility and community events. In 2019, we exceeded our goals and efforts to recognize this important movement and donated \$32,000 to BreastCancer.org.

Merit Medical's facilities and employees around the world participated in awareness events, education efforts, and recognition activities. Merit Salt Lake City employees contributed to the Breast Cancer "Fight Club" wall by acknowledging the bravery it takes to battle breast cancer and honoring sisters, mothers, daughters, friends, and even ourselves. To read more about Merit Medical's recognition and support of Breast Cancer Awareness Month, click on the above image.





Quality Assurance

Delivering excellence  
across all aspects of  
our business

# Quality Assurance

## QUALITY POLICY

Merit Medical Systems, Inc. strives to improve patient care by providing high-quality, innovative products and services while satisfying all relevant laws and regulations. Our primary concern is the safety and effectiveness of our products and services.

We are conscious and protective of the environment in all aspects of our business. We are dedicated to maintaining the effectiveness of our quality management system by meeting established objectives, constantly assessing products and systems, and implementing continuous improvement projects.



We are fully committed to delivering excellence across all aspects of our business. This includes the highest quality of products, the Merit Medical employees who interact with our customers, our turnaround time on shipping and deliveries, and the additional value we can bring to the healthcare system with clinician training programs.

## Quality Policy

Merit Medical strives to improve patient care by providing high-quality, innovative products and services while satisfying all relevant laws and regulations. Our primary concern is the safety and effectiveness of our products and services.

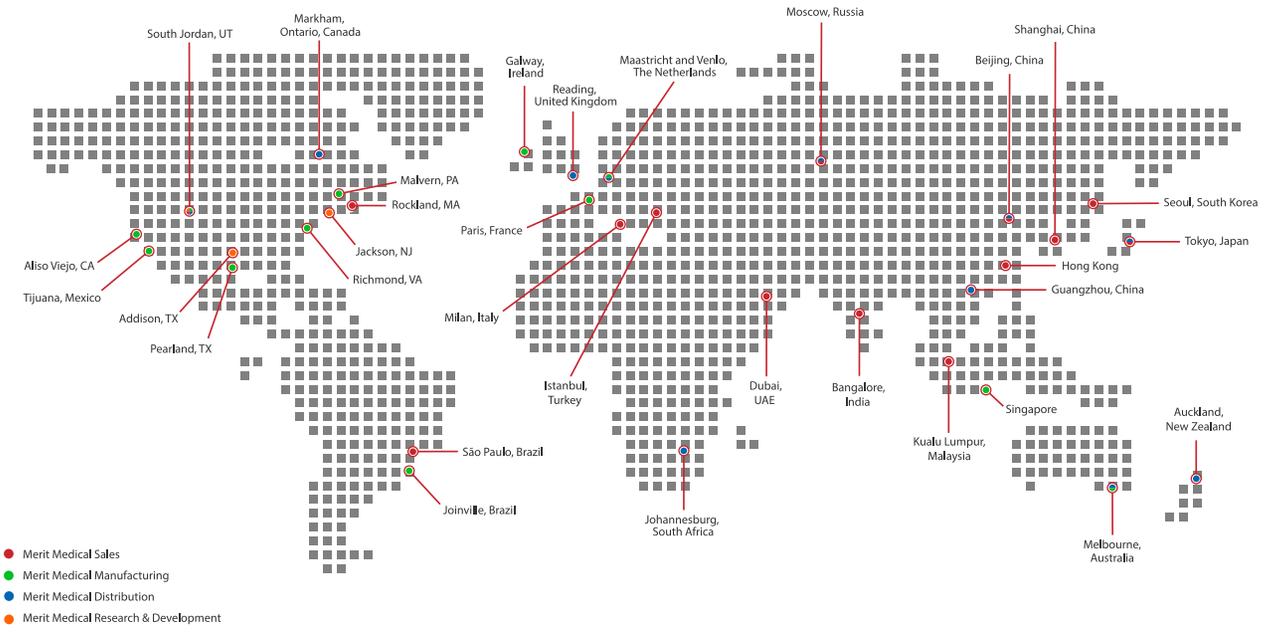
*“Merit Medical Systems, Inc. strives to improve patient care by providing high-quality, innovative products and services while satisfying all relevant laws and regulations. Our primary concern is the safety and effectiveness of our products and services. We are dedicated to maintaining the effectiveness of our quality management system by meeting established objectives, constantly assessing products and systems, and implementing continuous improvement projects.”*

—Quality Manual

Patient care is central to our mission. Providing high-quality, innovative products that are safe and effective is our primary goal. Merit Medical’s Quality Policy is supported by a Quality Management System, 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.

Our Quality Policy is on display throughout our facilities, has been translated into relevant local languages, and is attached to each employee’s security/access badge at the time of hire. Employees are introduced to this policy during orientation programs (at time of hire) and, at a minimum, annually thereafter during Quality Management Systems training.

# Merit Medical's Global Footprint



## 6% Merit Medical's Global Team dedicated to Quality Assurance

Responsible for Design Assurance, Product Inspection, Quality Assurance, Field Assurance, and Quality Engineering in addition to Sales and Distribution Support.

## Quality Management & Team

Merit Medical's organizational structure includes an independent Quality Assurance function that establishes, monitors, and maintains the quality management system. Merit Medical's Vice President of Global Quality Assurance serves as our Quality System Management Representative ("QSMR") for Global Quality Assurance. The QSMR has the authority/responsibility to:

- // Ensure that processes needed for the quality management system are established, implemented, maintained, and compliant with current Global Regulatory Requirements;
- // Report on the performance of the quality management system and any need for improvement to Merit Medical's executive management;
- // Interact with external bodies on matters relating to Merit Medical's quality system; and
- // Ensure awareness of all applicable regulatory, customer, and quality management requirements throughout the organization.

Each Merit Medical Operations location has a manager who oversees quality assurance and acts as the appointed Quality System Management Representative. To assure independence, this manager reports to a Site Leader and indirectly reports to the GQSMR. In the case of differences of opinion between Site Quality Leaders and Site Leaders, the Site Quality Leader seeks council and representation from the GQSMR.

## Quality Compliance

NUMBER OF AUDITS IN 2019

**32** Regulatory Audits

**54** Customer Audits

**149** Internal Audits

Merit Medical's Quality Management System is designed to closely align with the requirements of ISO 13485:2016 for Medical Device Operations and that of ISO 9001:2015 for General Manufacturing Operations at a minimum. International and customer-specific requirements are blended into our systems as required. Merit Medical maintains certification to both these standards, in addition to MDSAP (Medical Device Single Audit Program) Certification at our Global Medical Device Operations (eight sites, one site pending).

We welcome external review and assessment of our Quality Management System by regulatory agencies and customers alike. A win for us is when these assessments highlight areas of compliance and areas where opportunity exists to be better.

In addition to external reviews, the assigned Quality Management Systems Representative at each site develops an annual Internal Audit Schedule and coordinates its completion with suitable trained audit team members. Actions arising from these audits are managed through CAPA Process (Corrective Action, Preventive Action).

Learnings from audits are shared and, where practical, corrections are driven globally where the potential of non-conformance exists in two or more sites.

Globally, we are actively involved in various advocacy and trade association network groups (Quality/Regulatory/Sterility Assurance, etc.) comprising industry peers, regulatory bodies, and learning institutions whose collective purpose is to share knowledge with respect to regulatory expectations, implementation of regulations incorporating acknowledged 'State-of-the-Art' practices, and application of changes or new regulations for the betterment of patients and the environment.

## Customer Feedback – Product Safety

The provision of high-quality, innovative products that are safe and effective is Merit Medical's primary goal. Our focus on product safety and performance starts with the Design Control process which rigorously defines performance requirements, safety requirements, and user requirements (inputs) into a physical design (outputs) to achieve intended use. The pathway between design inputs and design outputs goes through an extensive risk management process, as defined by ISO 14971 (Medical Devices – Application of Risk Management to Medical Devices).



Design outputs and risk controls are verified during Design Verification to achieve safe medical device products. Product use and performance are validated through Design Validation activities which are performed in a simulated or actual clinical environment by trained clinical professionals or application experts. Once validated, products are transferred to production where Process Validation ensures that all risk controls are properly implemented to realize safe medical devices.

Merit Medical is committed to improving products by the reduction of residual risks based on internal/external vigilance inputs to ensure that products meet/exceed the commercial state of the art.

# Customer Feedback – Product Performance

## REACTIVE, PERFORMANCE METRICS

0 Class 1 Recalls

2018 + 2019

16% 

2019 reportable rate, per 1M units sold lower than 2018 rate, per 1M units sold (MDR)

Once commercialized, product performance characteristics are monitored through Post-Market Surveillance (“PMS”) Activities. These activities are both proactive and reactive and include but are not limited to:

## Proactive Feedback

- // Post-Market Clinical Follow-up (“PMCF”)
- // Proactive Post-Market Surveillance (“PPMS”)

## Reactive Feedback

- // Product Customer Complaints
- // Worldwide safety and performance data accumulated through country-specific databases (e.g., FDA-MAUDE, TPLC, TGA-DAEN)
- // Product recall history for Merit Medical’s products as well as similar/equivalent products available
- // Product safety and performance as a measure of the volume of product sold
- // Comparison of clinical research/clinical literature that is pertinent to Merit Medical products (and/or equivalent products in the market)

These activities monitor the totality of the risks presented through the typical use of a device (i.e., Product Risk Profile) to ensure that the Risk Profile is not increasing over time. If safety or performance signals are detected through the PMS System that indicate an increased risk profile, the system is designed to drive corrections or improvement to return to (or improve upon) the original approved risk profile. The PMS System is a highly interactive safety and performance monitoring process that leverages real-time, reactive and proactive quality data in combination with well-established, closed-loop, interdependent quality systems to monitor and report product performance and safety throughout the product lifecycle.

# Supplier Quality Management

DIRECT SUPPLIERS, IN NUMBERS



**2,240**  
Direct Suppliers



**26**  
Countries (located)



**98.4%**  
2019 First-Pass Yield  
(Incoming Quality Inspection)

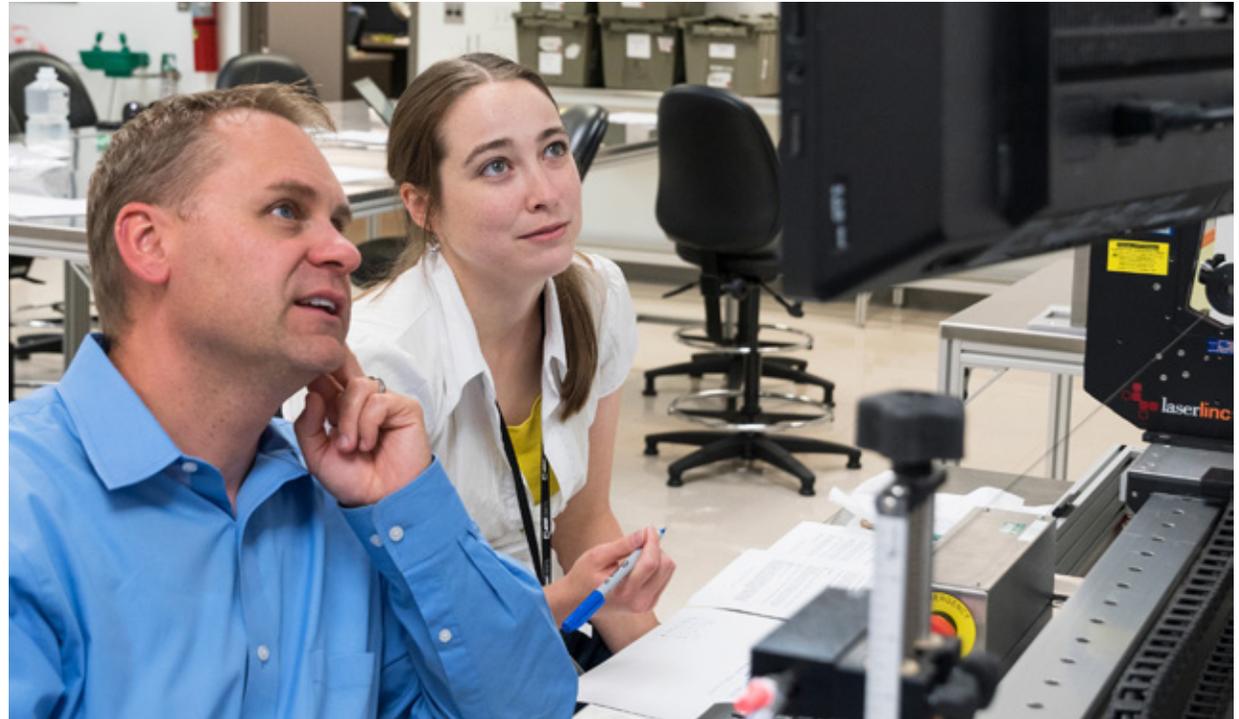


**57**  
2019 Supplier Audits



**175** 2019 SCAR  
(Supplier Corrective Action Request)

Merit Medical's Global Procurement Team manages over \$170M in annual direct purchases (i.e., items/services that may directly affect product quality). The responsibility for the provision of high-quality, innovative products that are safe and effective is shared with these direct suppliers. Responsibilities and methods for the purchasing process are defined and controlled by documented procedures, thus ensuring that all purchased product and services conform to specified requirements.



Supplier selection and the degree of control exercised is dependent upon the product/service type and quality impact and is proportionate to the level of risk associated with the device, compliance to applicable regulatory requirements, supplier performance, previous relationships, and Merit Medical requirements. Suppliers are assessed and approved prior to use and are subject to ongoing monitoring of performance (e.g., Incoming Inspection Results, Supplier Corrective Action Response, Supplier Quality Audits, etc.) throughout the commercial arrangement.

# 1 Quality

During 2017, Merit Medical's Chairman and Chief Executive Officer, Fred Lampropoulos, challenged the Global Quality Assurance Team to develop and implement a plan on how Merit Medical's Quality Management System should become 1. From this, the "1 Quality" initiative was born.

The concept is simple - "1 Quality" to Merit Medical means:

- // 1 Standard | The regulations we comply with
- // 1 System | Globally adopt the systems available within the organization, e.g., ERP, Data Analytics, eSuite, etc.
- // 1 Voice | Standardize and document the "1 Best Way" for those QMS Processes that we nominate to be truly global, e.g., Document Control, Design Control, Complaint Management, Global Adverse Event Management, CAPA Management, Risk Management, Post-Market Surveillance, etc.

Each year we initiate Global Projects that align with the "1 Quality" initiative and new and/or revised standards. Many projects initiated during 2019 were driven by European Union Medical Device Regulation (EU MDR) and were mostly global in nature. All projects encompassed our overall goal of 1 Quality.



# 2019 Awards & Recognitions

Innovation is at the heart of everything we do—from the products we manufacture to our employee benefits programs. We are proud to have received several awards in 2019 for these innovations.



The Shingo Prize—Merit Tijuana  
The Shingo Institute—2019



Sustainability Leadership Award  
Business Intelligence Group—2019



Green Business Award  
Utah Business Magazine—2019



Healthcare  
Heroes

Healthcare Heroes Award  
Utah Business Magazine—2019



A Giant in our City  
Salt Lake Chamber—2019



Manufacturer of the Year  
Utah Manufacturers Association—2019