2020 ANNUAL REPORT

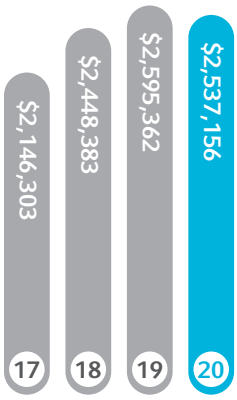
Teleflex®

Driving Transformation

GROWTH | INNOVATION | OUTCOMES

Financial Highlights

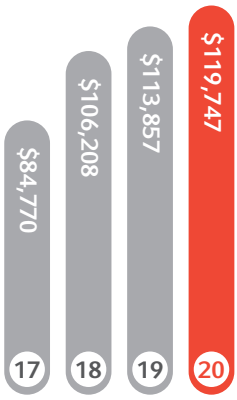
FROM CONTINUING OPERATIONS *(Dollars in millions, except per share data)*



Net Revenues

(2.2%)

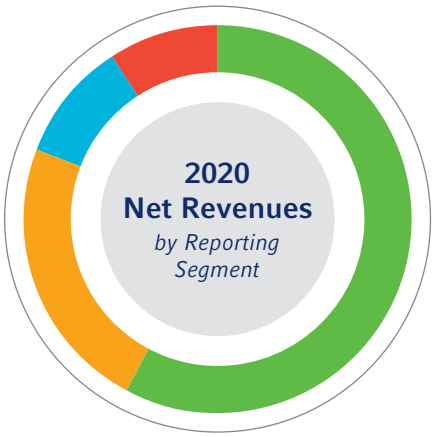
Variance



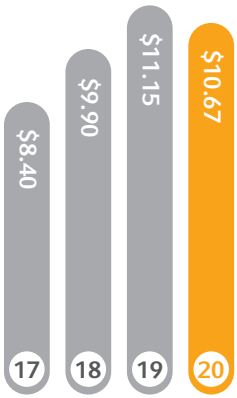
Research and Development

5.2%

Variance



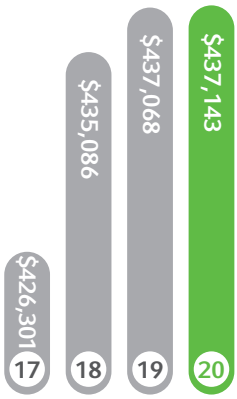
Americas	Europe, Middle East and Africa	Asia Pacific	OEM
58%	23%	10%	9%



Adjusted Earnings Per Share[1]

(4.3%)

Variance



Net Cash Provided by Operating Activities

0.0%

Variance

Hospitals/ Healthcare Providers	Medical Device Manufacturers	Home Care
88%	9%	3%

[1]A table reconciling adjusted earnings per share to the most directly comparable GAAP measure can be found at the end of this Annual Report.

Driving Transformation

As the global healthcare market evolves, Teleflex is driving transformation across every facet of our business — from expanding into key clinical markets and high-growth global regions, to innovating differentiated products that can improve patient outcomes, reduce healthcare costs, and create efficiencies. As we enter 2021, we continue our journey from a medium-growth company with margin expansion to a high-growth company with margin expansion, delivering strong and consistent value for our shareholders, customers, and employees.

GROWTH

We are driving sustainable, long-term growth across our products, margins, and markets, and we are creating new expansion opportunities for our global constituents.

INNOVATION

We are bringing advanced medical devices to key clinical markets and high-growth regions around the globe.

OUTCOMES

We are collaborating with our customers to create effective solutions that improve health outcomes, create efficiencies, and reduce medical costs.

Leveraging Our Portfolio

The Teleflex product portfolio comprises many trusted names in medical technology, including Arrow®, Deknatel®, Hudson RCI®, LMA®, Pilling®, Rüsch®, UroLift®, QuikClot®, and Weck®. Each of these brands has its own unique position within its market niche, and together they share a common purpose: To leverage best-in-class technologies to enable effective clinical solutions for patients and healthcare providers around the world.

ARROW®

DEKNATEL®

HUDSON RCI®

LMA®

Pilling®

QuikClot®

RÜSCH®

UROLIFT®

WECK®

To Our Shareholders

The COVID-19 pandemic was the defining event of 2020 for virtually every business in every market sector worldwide. Teleflex responded to this crisis swiftly and decisively, working to provide our innovative products to hospitals, clinicians, and patients around the globe, while simultaneously protecting the health and well-being of our employees. We also continued to advance our DRIVE to High Growth business strategy, fueling steady growth across products, market segments, and geographic regions.

Our 2020 highlights included:

- We completed the acquisitions of IWG High Performance Conductors, Inc. (HPC) and Z-Medica, LLC (Z-Medica).
- We launched new products across a broad range of medical segments, and we invested in our pipeline, advancing the development of key technologies in high-growth market categories.
- We took additional steps to optimize our business and drive margin growth.
- We implemented several corporate social responsibility initiatives, including expanding our JOIN platform, broadening our commitment to environmental issues, and establishing a global Diversity, Equity & Inclusion Council.

We also delivered solid financial results within the context of the operating environment. In fact, despite the significant challenges of 2020, Teleflex continued to make progress toward meeting our long-term financial targets. Our performance is a clear testament to the underlying strength of our business and the stability of our diversified product portfolio, which we have intentionally positioned to emphasize medical devices that are required for non-elective procedures.

The credit for our 2020 accomplishments belongs to our employees, who worked steadily through the pandemic, so we could continue to manufacture, distribute, and support our products — including some that have been instrumental in battling COVID-19. In the face of exceptional challenges, our people took extraordinary measures that enabled Teleflex to meet our commitments to clinicians, patients, communities, and shareholders, and I would like to thank each of them for an outstanding job.

Facing the Pandemic

From its onset, the COVID-19 pandemic had a staggering impact on individuals, businesses, industries, and governments worldwide. Teleflex responded with a series of decisive actions. We immediately established a framework for decision-making through the crisis that prioritized employee and customer safety, enabled transparent communications both internally and externally, and guided us to manage our business in a way that will position us to accelerate our growth through the recovery. These efforts included supporting the rapid but careful return of essential employees to their jobs, developing new operating protocols, and seamlessly adapting to changing industry and regional regulations across a range of clinical markets. We closely monitored state and country reopening plans, leveraging the power of our established infrastructure, our excellent relationships with suppliers, and our strong portfolio to align our production with shifting market demand. We also introduced digital tools to our business units, enabling them to continue to train clinicians in the effective use of our products.

In addition to these measures, we continued to optimize our business and drive margin growth. We also initiated a workforce reduction plan, streamlining select sales and marketing functions within EMEA, as well as certain manufacturing operations within our OEM segment. We took steps to cut our operating expenses, and eliminated unnecessary discretionary spending. We will continue to tighten our belts in order to align with the pressures of the current environment while making select investments that will capitalize on opportunities for long-term profitability.

> ***"Our performance during 2020 is a clear testament to the underlying strength of our business, the stability of our product portfolio, and the resilience of our people."***

Creating Value

We have an excellent track record for creating value through strategic acquisitions, and during 2020 we continued this, acquiring HPC and Z-Medica. HPC is a leading provider of medical tubing and wire components. This acquisition significantly expands and diversifies our extensive portfolio of custom-engineered medical devices, while strengthening our commitment to delivering advanced technologies for a variety of medical applications, including electrophysiology, drug and stent delivery, and neurovascular interventions.

We also completed the acquisition of Z-Medica, an industry-leading manufacturer of proprietary hemostatic technologies under the QuikClot®, Combat Gauze®, and QuikClot Control+® brand names. Z-Medica's differentiated products are currently established in the trauma surgery, EMS, military, emergency, and interventional segments, and we see promising opportunities to leverage our established call points to expand them into additional areas. We completed this acquisition during the fourth quarter of 2020, and we expect it to be immediately accretive to our revenue growth rates, adjusted gross and operating margin profile, and adjusted earnings per share.

Investing in the Future

Innovation remains our core strength, and during 2020, we continued to invest in products and technologies that differentiate us in high-growth specialty markets and offer the potential to drive revenue growth when the market recovers. We completed the roll-out of our MANTA® Vascular Closure Device, the first commercially available biomechanical vascular closure device designed specifically for large bore femoral arterial site closure. We also continued to collaborate with the U.S. Army and the FDA to obtain a biologics license approval for our EZPLAZ™ Freeze-Dried Plasma, and we remain on track to launch this groundbreaking product in 2021. In addition, we made notable progress in driving physician adoption of the UroLift® System, our breakthrough product for minimally invasive benign prostatic hyperplasia care. We launched the UroLift® Advanced Tissue Control (ATC)™ System, and the next generation of UroLift®, the UroLift® 2 System, and we are working to transition our U.S. physician base to this new version beginning in 2021.

Looking Ahead

We move forward with confidence. During 2020, we delivered solid performance in a volatile market, demonstrating the determination of our people, the effectiveness of our strategy, and the strength of our underlying business fundamentals. Moreover, global demand for healthcare continues to grow, driving greater need among medical providers for Teleflex solutions that can increase efficiency and help to manage costs. As a result, our long-term outlook remains excellent. In the months ahead, we will continue to navigate the shifting operating environment, leveraging our diversified global portfolio to manage our near-term business prudently while finding ways to capitalize on our long-term potential. As always, we will continue to focus on strategies that best serve the needs of our customers, employees, and shareholders.

LIAM J. KELLY
Chairman, President and Chief Executive Officer

THOMAS E. POWELL
Executive Vice President and Chief Financial Officer

DRIVE to High Growth

Through our DRIVE to High Growth strategy, we are transforming Teleflex into a high-growth company that is capable of generating steady organic constant currency revenue growth. In 2020, we continued to execute this strategy, adapting the five DRIVE tenets to the demands of the current business environment, and fueling meaningful growth across our products, market segments, and geographic regions.

2019-2021 DRIVE TO HIGH GROWTH

D eliver accelerated new product growth

R each deeper product utilization

I nvest in key market segments

V alue addition through global infrastructure

E xecute strategic M&A

Deliver Accelerated New Product Growth

We are committed to fueling growth by launching highly differentiated products that address unmet clinical needs and offer strong margins.

Reach Deeper Product Utilization

We are driving market share by promoting greater utilization of our existing products among current customers, with a sharp focus on differentiated, high-margin products within large markets that offer significant opportunity for increased penetration.

Invest In Key Market Segments

We are investing in key medical sectors that offer the highest potential returns on capital, as well as significant room for market share expansion, concentrating on clinically differentiated products that have strong intellectual property protection and command high margins.

Value Addition Through Global Infrastructure

We are leveraging our powerful global infrastructure to enter high-growth markets by launching new products, introducing existing products into new regions, and executing our “go-direct” strategy in select areas of the world.

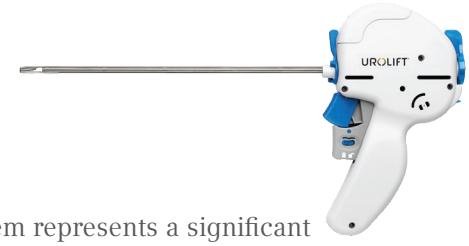
Execute Strategic M&A

We are seeking acquisition opportunities that will enable us to deliver shareholder value by strengthening our financial profile, increasing our scale, building our product portfolio, and fortifying our innovation capabilities.

Making A Difference

Teleflex products make a meaningful difference in a vast range of medical procedures every day. Our product portfolio encompasses truly differentiated medical devices that are used in surgery, vascular access, intensive care, and emergency situations, including a broad range of non-elective procedures.

The UroLift® System



The UroLift® System represents a significant breakthrough in the area of minimally invasive benign prostatic hyperplasia (BPH) care. During 2020, we initiated a national marketing campaign to drive consumer awareness, and we unveiled the UroLift® Advanced Tissue Control (ATC)™ System, which may enable urologists to treat challenging BPH cases more easily. We also initiated the roll out of the UroLift® 2 System, and we remain on track for a full commercial launch of this next-generation technology by year-end 2021.

EZPLAZ™ Freeze Dried Plasma*

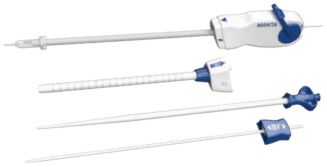
EZPLAZ™ Freeze Dried Plasma is a groundbreaking product with important implications in emergency situations where plasma is not readily available and time constraints limit the use of fresh-frozen plasma, such as battlefield trauma. Despite the challenges of 2020, we continued to collaborate with the U.S. Army and the FDA to accelerate the release of this unique product, and we remain on schedule to launch it in 2021.

**EZPLAZ™ Freeze Dried Plasma is an investigational new drug and has not yet been approved by the FDA. Product labeling is representative and not intended to be used for educational or identification purposes.*

EZ-IO® Intraosseous Vascular Access System

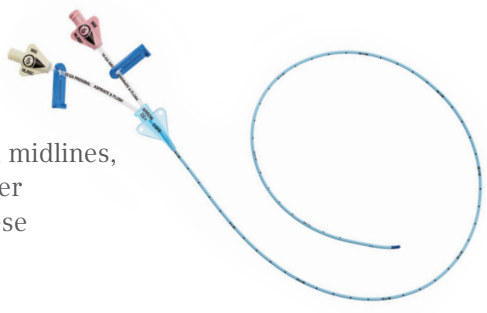
During 2020, we received an expanded indication for our EZ-IO® Intraosseous Vascular Access System, allowing the device to be used for an extended timeframe of up to 48 hours when alternate intravenous access is not available. This expansion is a prime example of our ongoing efforts to expand and improve our portfolio based on clinician feedback.

MANTA® Vascular Closure Device



During 2020, we completed full market release of our MANTA® Vascular Closure Device, the first commercially available biomechanical vascular closure device specifically designed for large bore femoral arterial access site closure. Engineered to achieve fast, simple deployment with rapid hemostasis, the MANTA® Device addresses the challenges of large bore closure with a single, easy-to-use device.

Arrowg+ard Blue Advance® PICC



Our proprietary coating technologies can be applied to a range of vascular access products, including peripherally inserted central catheters (PICCs), and midlines, helping to provide broad-spectrum antimicrobial and antithrombogenic catheter protection. We are leveraging our innovation strength to expand the use of these technologies to new applications in markets around the world.

Fulfilling Our Mission

Our mission is to provide clinically effective medical technologies that improve the health and quality of people's lives. This purpose took on extraordinary importance during 2020, when the COVID-19 pandemic affected populations around the world, wreaking havoc on global healthcare systems. The fallout from the pandemic tested our mettle like never before, but the Teleflex team responded by bringing our mission to life, finding safe and effective ways to interact with our customers, conduct R&D, test products, and ensure that our supply chain remains reliable and efficient. This effort cuts across our entire enterprise, with employees at every level, in every functional area, and in every location around the world demonstrating a hands-on commitment to our corporate objectives in the face of unprecedented challenges. As a result, we continue to manufacture and distribute a robust supply of medical devices, and to implement best-practice health and safety guidelines that protect the well-being of our employees.

Liam J. Kelly
Chairman, President and Chief Executive Officer

Thomas E. Powell
Executive Vice President and Chief Financial Officer

Karen Boylan
Corporate Vice President, Global Strategic Projects

Gwen Chapman
Corporate Vice President and Chief Compliance Officer

Michelle Fox
Corporate Vice President and Chief Medical Officer

Cameron Hicks
Corporate Vice President, Human Resources and Communications

Daniel V. Logue
Corporate Vice President, General Counsel and Secretary

Jay White
Corporate Vice President and President, Global Commercial

Mario Wijker
Corporate Vice President, Quality Assurance and Regulatory Affairs

James Winters
Corporate Vice President, Manufacturing and Supply Chain

Living Our Values

At Teleflex, our Core Values literally define our company, shaping our corporate culture, guiding our business practices, and directing the way we interact with our constituents. Our Core Values revolve entirely around people — from our patients and clinicians, to our employees and shareholders, to our suppliers and distributors, to the countless individuals who make up the communities we serve around the world.

People

People are at the center of everything we do, and as a result, they are at the heart of our values. Our commitment to people encompasses being mindful of others and prioritizing respect in every interaction.

Make It Fun

We are committed to helping our employees to find fulfillment and enjoyment in their jobs by achieving new things, taking pride in their work, and taking time out to celebrate their successes.

Entrepreneurial Spirit

Teleflex is a highly entrepreneurial workplace, and much of our company's growth has come from this trait. We continuously encourage our people to find new and innovative ways to demonstrate their entrepreneurial spirit and add value to their jobs.

Building Trust

Establishing trust is an important and continuous process that has many different levels and meanings. Trust defines our relationships as individuals, teams, and as a company. Our employees trust us to give them the tools they need to succeed, we trust them to be accountable, and they trust one another to create a positive work environment.

Showcasing Our Resilience

The COVID-19 pandemic created a chaotic environment for companies in every global market segment, particularly healthcare. Teleflex immediately developed a contingency plan to maintain our business operations, enabling us to continue to deliver the products and technologies required for a wide range of essential medical procedures.

One of our first initiatives was to form a dedicated COVID-19 Task Force made up of representatives from key business functions across Teleflex. This team is spearheading our efforts to navigate the changing situation by coordinating our actions across the company, and helping to increase our efficiency through regular internal updates. We also established a framework for decision-making through the crisis that set three clear priorities: ensuring employee and customer safety; maintaining consistent and transparent communications; and serving the changing needs of our customers during the pandemic while maintaining a focus on the long-term growth of our business. Among other initiatives, these efforts required us to develop new internal operating protocols, while adapting to changing industry and regional regulations across a range of clinical markets.

Returning to the Frontline

As the scope of the pandemic grew, Teleflex reached out to employees with established healthcare credentials, offering them the opportunity to take a temporary leave of absence from their corporate roles in order to return to the practice of their respective healthcare specialties. Many of our employees were quick to take this option, and we are extremely proud of these individuals, who are truly living our values by applying their skills and training to make a meaningful difference in the fight against COVID-19.

"I feel so very proud to be part of our Teleflex team ensuring availability of vital products at this time, as well as being alongside my ICU peers on the frontline."

Hayleigh Haggerty
Clinical Manager Indirect, Kent, UK

An intensive care nurse based in the United Kingdom, Hayleigh joined Teleflex in 2017 as a Freelance Educator. She later became the UK Vascular Clinical Specialist, and was recently promoted to Clinical Manager for the Indirect region. In addition to holding a degree in Advanced Critical Care Practice, Hayleigh is a qualified Peripherally Inserted Central Catheter (PICC) placer and Advanced Life Support (ALS) instructor. When Teleflex offered her the opportunity to return to her specialty to help battle COVID-19, Hayleigh jumped at the chance.

The health and safety of our employees is our leading priority, and we have implemented best practice health and safety guidelines at all of our offices, distribution centers, and manufacturing sites. These guidelines were carefully developed to align with guidance from the World Health Organization (WHO), Centers for Disease Control and Prevention (CDC), and local health authorities. Our swift attention to enforcing these guidelines enabled Teleflex employees across a wide range of functional areas to return to work as early as March. We have also implemented remote and flexible working arrangements wherever possible, including at our Customer Service Operations Centers in North America and Europe. In order to support our global workforce during this time, we have launched a number of employee resource initiatives, and we are drawing on our teleconference and digital meeting capabilities to remain connected and efficient.

The Teleflex product portfolio encompasses a broad selection of medical devices that are necessary for non-elective procedures, making manufacturing and distributing our products during the pandemic a critical initiative. In addition, the COVID-19 pandemic generated increased demand for certain product lines, requiring us to address issues related to sourcing raw materials and balancing our manufacturing capacity. We have reevaluated our inventory plans, making the necessary shifts to support changes in demand, while still maintaining adequate inventory to coordinate a phased recovery. We have also reassessed our global supply chain, adjusting our product allocation system to ensure that the right products are routed to the right facilities around the world with minimal disruption. As a result of these efforts, we are providing robust and continuous product support to healthcare workers worldwide.

"I have never dealt with a health crisis like COVID-19 has created, and – at the same time – I have never been prouder to be on the Clinical and Medical Affairs team at Teleflex."

Chris Davlantes, MD, FACEP

Medical Director, Clinical & Medical Affairs (CMA), Kansas City, USA

A board-certified Emergency Medicine physician, Chris has served as the Medical Director of the Teleflex Clinical & Medical Affairs department since 2012. With 24 years of Emergency Medicine experience, Chris has much to offer in the face of the COVID-19 pandemic. He is currently working in a local Emergency Department, where he is drawing on his exceptional skills and training to support his physician colleagues and patients through the crisis.

Acting with Purpose

Our deep commitment to Corporate Social Responsibility initiatives encompasses a growing range of programs that are dedicated to providing opportunities for our people, making a positive difference in our communities, protecting the environment, and maintaining superior corporate governance standards.

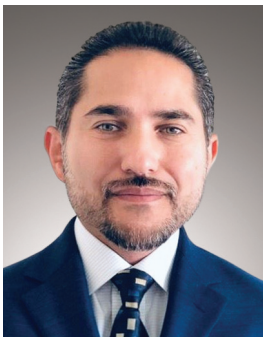
WE FOCUS ON:

- **People** through professional development and employee programs, humanitarian aid, and medical grants
- **Communities** by encouraging employee volunteer opportunities and providing direct financial support to local organizations
- **Environment** through sound operational practices and ecologically responsible decisions that are aligned with our Zero Harm vision
- **Corporate governance** by practicing strong business ethics and exceptional compliance

Diversity, Equity & Inclusion

During 2020, we underscored our commitment to a diverse workplace by forming a Diversity, Equity & Inclusion (DE&I) Council. This Council is committed to advancing greater diversity in all its forms across our workforce, as well as to creating a positive and inclusive work environment where every employee can achieve their personal best. We have established Regional Councils for the United States and Canada, Latin America, EMEA, and APAC to support and drive our regional DE&I objectives.




DE&I Regional Team, pictured from top left to bottom right: Liam J. Kelly *(Global Chair)*; Shante' Demary *(United States and Canada)*; Monika Vikander-Hegarty *(EMEA)*; Dennis Diaz *(Latin America)*, and Amelia Tan *(APAC)*

Humanitarian Product Donation Program

Through our Humanitarian Donation program, we are donating Personal Protective Equipment, including face masks, shields, gowns, and other products to meet the urgent needs of healthcare practitioners across Respiratory, Vascular, Anesthesia, and Emergency Medicine.

Clinical Education

We maintain a sharp focus on providing our customers with fast and easy access to the clinical support and services they have come to expect from Teleflex. As part of this, during 2020, we created new digital learning environments that are enabling us to continue to support our customers and healthcare professionals while maintaining appropriate safety requirements. In fact, despite the restrictions of COVID-19, we educated more than 60,000 healthcare professionals on the use of our products during 2020. We also expanded our Teleflex Academy content offerings for employees, adding a range of new professional development opportunities.

Teleflex Foundation

For 40 years, we have contributed to the communities we serve through the Teleflex Foundation, which supports qualified nonprofit organizations that are recommended and supported by our employees. The Teleflex Foundation encourages employee-driven social responsibility through a variety of programs. Our Make a Difference (MAD) Grant program awards cash grants to select healthcare charities in which our employees are involved. Our Matching Gifts Program matches employee gifts of $50 and above to most organizations qualified for exemptions under Section 501(c)(3) of the Internal Revenue Code. The Teleflex Foundation is also a long-standing supporter of Americares and an established Americares Emergency Response Partner. In 2020, we increased our annual donation to Americares in order to aid their initiative to support frontline health workers during the COVID-19 pandemic.

JOIN Act with Purpose

JOIN Act with Purpose is an employee-driven initiative through which Teleflex employees are invited to join in and come together to make a difference in the health and quality of people's lives. The purpose of JOIN is to give back, and this is clearly demonstrated by the many events and activities that take place across all regional sites. Championed by Teleflex employees, JOIN continues to grow each year, as our people support their communities at a local level and volunteer in projects that bring about positive change. Our JOIN Impact Report catalogues the social responsibility activities of our 14,000 employees, and can be accessed at: www.teleflex.com. In 2020, we expanded JOIN by creating JOIN IN It Together as a forum for employees to offer each other connection and support while working remotely as a result of the COVID-19 pandemic.

Best Place to Work

One of the ways we act with purpose is by making Teleflex a rewarding place to work. We devote significant resources to this effort, which includes creating a diverse and welcoming corporate culture, offering meaningful growth opportunities, and rewarding our employees for exceptional performance. In December of 2020, our efforts were once again recognized by our marketplace with Teleflex being named one of the Best Places to Work by the MedReps community of medical sales talent for the fourth consecutive year.

Teleflex Chairman's Award

We reinforce our Core Values through the Teleflex Chairman's Award, a peer-nominated honor, which celebrates exceptional performance in the areas of innovation, customer focus, productivity, and/or sustainability. In 2020, we presented this award to:

Linda Whelan
Location:
Athlone, Ireland

Linda and her team transformed the freight management process from a manual function to an automated one, developing a robust, scalable web-based Transport Management System that provides expense transparency and shipment tracking, while enabling enhanced customer service and generating significant cost savings.

Cathal O'Reilly
Location:
Athlone, Ireland

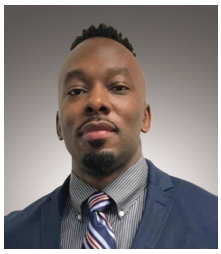
Cathal improved the global supply chain by implementing a disciplined process to manage continuous improvement projects (CIPs), and deploying lean tools and training around the world. Over the last two years, the Enterprise Excellence team has driven significant cost reductions through CIPs, and the Quality Excellence team has delivered meaningful savings through scrap reduction.

One Teleflex

One Teleflex is devoted to uniting and celebrating our diverse workforce. During 2020, this team of volunteers brought communities together through Employee Resource Groups, initiatives to support working parents during the pandemic, and an educational "Creative Communications" series that fostered internal dialogue related to diversity and inclusion.

Location: Morrisville, NC and Pleasanton, CA

Damien Bridges



Booker Bullock

Stephanie Carola

Rachel Chalhoub

Samantha Clark

Shante' Demary

Nicole Eloyan

Brian Gall

Cari Gardener

Harry Green

Darrell Jones

Stephanie Munise

Alisha Robinson

Sarah Woo

Kelly Yocina

Teleflex®

FORM 10K

FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2020

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2020 or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from_____ to _____.
Commission file number 1-5353

TELEFLEX INCORPORATED

(Exact name of registrant as specified in its charter)

Delaware	**23-1147939**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. employer identification no.)**
550 East Swedesford Road, Suite 400, Wayne, Pennsylvania	**19087**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: (610) 225-6800

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $1.00 per share	TFX	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:
NONE

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐ Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ¨ ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act by the registered public accounting firm that prepared or issued its audit report. ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of the Common Stock of the registrant held by non-affiliates of the registrant (28,959,834 shares) on June 26, 2020 (the last business day of the registrant's most recently completed fiscal second quarter) was $10,305,936,126[(1)]. The aggregate market value was computed by reference to the closing price of the Common Stock on such date, as reported by the New York Stock Exchange.

The registrant had 46,689,810 shares of Common Stock outstanding as of February 23, 2021

DOCUMENT INCORPORATED BY REFERENCE:

Certain provisions of the registrant's definitive proxy statement in connection with its 2021 Annual Meeting of Stockholders, to be filed within 120 days of the close of the registrant's fiscal year, are incorporated by reference in Part III hereof.

(1) For purposes of this computation only, the registrant has defined "affiliate" as including executive officers and directors of the registrant and owners of more than five percent of the common stock of the registrant, without conceding that all such persons are "affiliates" for purposes of the federal securities laws.

TELEFLEX INCORPORATED
ANNUAL REPORT ON FORM 10-K
FOR THE YEAR ENDED DECEMBER 31, 2020
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Information Concerning Forward-Looking Statements

All statements made in this Annual Report on Form 10-K, other than statements of historical fact, are forward-looking statements. The words “anticipate,” “believe,” “estimate,” “expect,” “intend,” “may,” “plan,” “will,” “would,” “should,” “guidance,” “potential,” “continue,” “project,” “forecast,” “confident,” “prospects” and similar expressions typically are used to identify forward-looking statements. Forward-looking statements are based on the then-current expectations, beliefs, assumptions, estimates and forecasts about our business and the industry and markets in which we operate. These statements are not guarantees of future performance and are subject to risks and uncertainties, which are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or implied by these forward-looking statements due to a number of factors, including:

- changes in business relationships with and purchases by or from major customers or suppliers;
- delays or cancellations in shipments;
- demand for and market acceptance of new and existing products;
- our inability to provide products to our customers, which may be due to, among other things, events that impact key distributors, suppliers and vendors that sterilize our products;
- our inability to integrate acquired businesses into our operations, realize planned synergies and operate such businesses profitably in accordance with our expectations;
- our inability to effectively execute our restructuring programs;
- our inability to realize anticipated savings resulting from restructuring plans and programs;
- the impact of enacted healthcare reform legislation and proposals to amend, replace or repeal the legislation;
- changes in Medicare, Medicaid and third-party coverage and reimbursements;
- the impact of tax legislation and related regulations;
- competitive market conditions and resulting effects on revenues and pricing;
- increases in raw material costs that cannot be recovered in product pricing;
- global economic factors, including currency exchange rates, interest rates, trade disputes, sovereign debt issues
- public health epidemics including the novel coronavirus (referred to as COVID-19);
- difficulties entering new markets; and
- general economic conditions.

For a further discussion of the risks relating to our business, see Item 1A, “Risk Factors” in this Annual Report on Form 10-K. We expressly disclaim any obligation to update these forward-looking statements, except as otherwise explicitly stated by us or as required by law or regulation.

PART I

ITEM 1. *BUSINESS*

Teleflex Incorporated is referred to herein as “we,” “us,” “our,” “Teleflex” and the “Company.”

THE COMPANY

Teleflex is a global provider of medical technology products that enhance clinical benefits, improve patient and provider safety and reduce total procedural costs. We primarily design, develop, manufacture and supply single-use medical devices used by hospitals and healthcare providers for common diagnostic and therapeutic procedures in critical care and surgical applications. We market and sell our products to hospitals and healthcare providers worldwide through a combination of our direct sales force and distributors. Because our products are used in numerous markets and for a variety of procedures, we are not dependent upon any one end-market or procedure. We manufacture our products at approximately 35 manufacturing sites, with major manufacturing operations located in the Czech Republic, Germany, Malaysia, Mexico and the United States (the "U.S.").

We are focused on achieving consistent, sustainable and profitable growth and improving our financial performance by increasing our market share and improving our operating efficiencies through:

- development of new products and product line extensions;
- investment in new technologies and broadening the application of our existing technologies;
- expansion of the use of our products in existing markets and introduction of our products into new geographic markets;
- achievement of economies of scale as we continue to expand by utilizing our direct sales force and distribution network to sell new products, as well as by increasing efficiencies in our sales and marketing organizations, research and development activities and manufacturing and distribution facilities; and
- expansion of our product portfolio through select acquisitions, licensing arrangements and business partnerships that enhance, expand or expedite our development initiatives or our ability to increase our market share.

Our research and development capabilities, commitment to engineering excellence and focus on low-cost manufacturing enable us to bring to market cost effective, innovative products that improve the safety, efficacy and quality of healthcare. Our research and development initiatives focus on developing these products for both existing and new therapeutic applications, as well as developing enhancements to, and product line extensions of, existing products. During 2020 we introduced several product line extensions and three new products. Our portfolio of existing products and products under development consists primarily of Class I and Class II medical devices, most of which require 510(k) clearance by the U.S. Food and Drug Administration ("FDA") for sale in the U.S., and some of which are exempt from the requirement to obtain 510(k) clearance. We believe that seeking 510(k) clearance or qualifying for 510(k)-exempt status reduces our research and development costs and risks, and typically results in a shorter timetable for new product introductions as compared to the premarket approval, or PMA, process that would be required for Class III medical devices. See "Government Regulation" below for additional information.

HISTORY AND RECENT DEVELOPMENTS

Teleflex was founded in 1943 as a manufacturer of precision mechanical push/pull controls for military aircraft. From this original single market, single product orientation, we expanded and evolved through entries into new businesses, development of new products, introduction of products into new geographic or end-markets and acquisitions and dispositions of businesses. Throughout our history, we have continually focused on providing innovative, technology-driven, specialty-engineered products that help our customers meet their business requirements.

Beginning in 2007, we significantly changed the composition of our portfolio of businesses, expanding our presence in the medical device industry, while divesting all of our other businesses, which served the aerospace, automotive, industrial and marine markets. Following the divestitures of our marine business and cargo container and systems businesses in 2011, we became exclusively a medical device company.

In 2017, we completed two large scale acquisitions: NeoTract, Inc. ("NeoTract") and Vascular Solutions, Inc. (“Vascular Solutions”). NeoTract was a medical device company that developed and commercialized the UroLift System, a minimally invasive medical device for treating lower urinary tract symptoms due to benign prostatic hyperplasia, or BPH. Vascular Solutions was a medical device company that developed and marketed clinical products for use in minimally invasive coronary and peripheral vascular procedures.

We expect to continue to increase the size of our business through a combination of acquisitions and organic growth initiatives.

Restructuring programs

We continue to execute our footprint realignment and other restructuring programs designed to improve efficiencies in our manufacturing and distribution facilities and, to a lesser extent, our sales and marketing and research and development organizations. See Note 5 to the consolidated financial statements included in this Annual Report on Form 10-K for additional information.

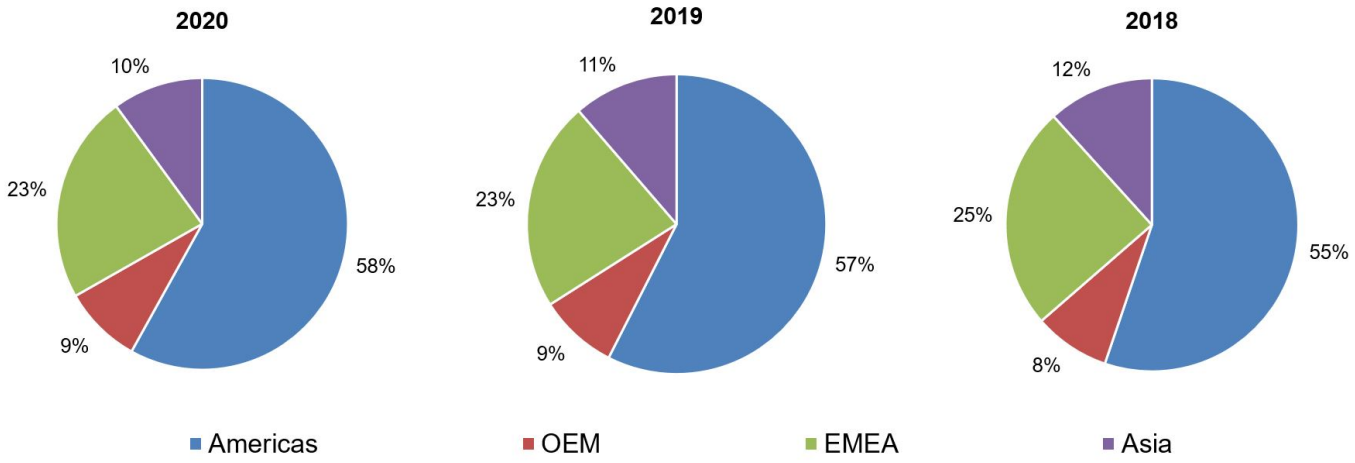
OUR SEGMENTS

We have four segments: Americas, EMEA (Europe, the Middle East and Africa), Asia (Asia Pacific) and OEM (Original Equipment Manufacturer and Development Services).

Each of our three geographic segments provides a comprehensive portfolio of medical technology products used by hospitals and healthcare providers. However, certain of our products are more heavily concentrated within certain segments. For example, most of our urology products are sold by our EMEA segment and most of our interventional urology products are sold by our Americas segment. Our product portfolio is described in the products section below.

Our OEM segment designs, manufactures and supplies devices and instruments for other medical device manufacturers. Our OEM division, which includes the TFX Medical OEM, TFX OEM, Deknatel and HPC Medical brands, provides custom extrusions, micro-diameter film-cast tubing, diagnostic and interventional catheters, balloons and balloon catheters, film-insulated fine wire, coated mandrel wire, conductors, sheath/dilator introducers, specialized sutures and performance fibers, bioabsorbable sutures, yarns and resins.

The following charts depict our net revenues by reportable operating segment as a percentage of our total consolidated net revenues for the years ended December 31, 2020, 2019 and 2018.



OUR PRODUCTS

Our product categories within our geographic segments include vascular access, anesthesia, interventional, surgical, interventional urology, respiratory and urology. Each of these categories and the key products sold therein are described in more detail below.

Vascular Access: Our Vascular Access product category offers devices that facilitate a variety of critical care therapies and other applications with a focus on helping reduce vascular-related complications. These products primarily consist of our Arrow branded catheters, catheter navigation and tip positioning systems and our intraosseous, or in the bone, access systems.

Our catheters are used in a wide range of procedures, including the administration of intravenous therapies, the measurement of blood pressure and the withdrawal of blood samples through a single puncture site. Many of our catheters provide antimicrobial and antithrombogenic protection technology that have been shown to reduce the risk of catheter related bloodstream infections and microbial colonization and thrombus accumulation on catheter surfaces.

Our intraosseous access systems are designed for the delivery of medications and fluids when intravenous access is difficult to obtain in emergent, urgent or medically necessary cases. Our products offer a method for vascular access that can be administered quickly and effectively in the hospital and pre-hospital environments and include the EZ-IO Intraosseous Vascular Access System and Arrow FAST1 Sternal Intraosseous Infusion System.

Interventional: Our Interventional product category offers devices that facilitate a variety of applications to diagnose and deliver treatment via the vascular system of the body. These products primarily consist of a variety of coronary catheters, structural heart therapies, peripheral intervention products and cardiac assist products that are used by interventional cardiologists, interventional radiologists and vascular surgeons. Clinical benefits of our products include increased vein and artery access and increased support during complex medical procedures. Our product offerings consists of a portfolio of Arrow branded catheters, Guideline and Trapliner catheters, the Manta Vascular Closure and Arrow OnControl devices.

Anesthesia: Our Anesthesia product category is comprised of airway and pain management product lines that support hospital, emergency medicine and military channels.

Our airway management products and related devices are designed to enable use of standard and advanced anesthesia techniques in both pre-hospital emergency and hospital settings. Our key products include laryngoscopes, supraglottic airways, endotracheal tubes and atomization devices, which are branded under our LMA, Rusch and MAD tradenames.

Our pain management product line includes catheters and disposable pain pumps for regional anesthesia, designed to improve patients' post-operative pain experience, which are branded under our Arrow tradename.

Surgical: Our Surgical product category consists of single-use and reusable products designed to provide surgeons with devices for use in a variety of surgical procedures. These products primarily consist of metal and polymer ligation clips, fascial closure surgical systems used in laparoscopic surgical procedures, percutaneous surgical systems and other surgical instruments. Our significant surgical brands include Weck, Minilap, Pleur-Evac, Deknatel, KMedic and Pilling.

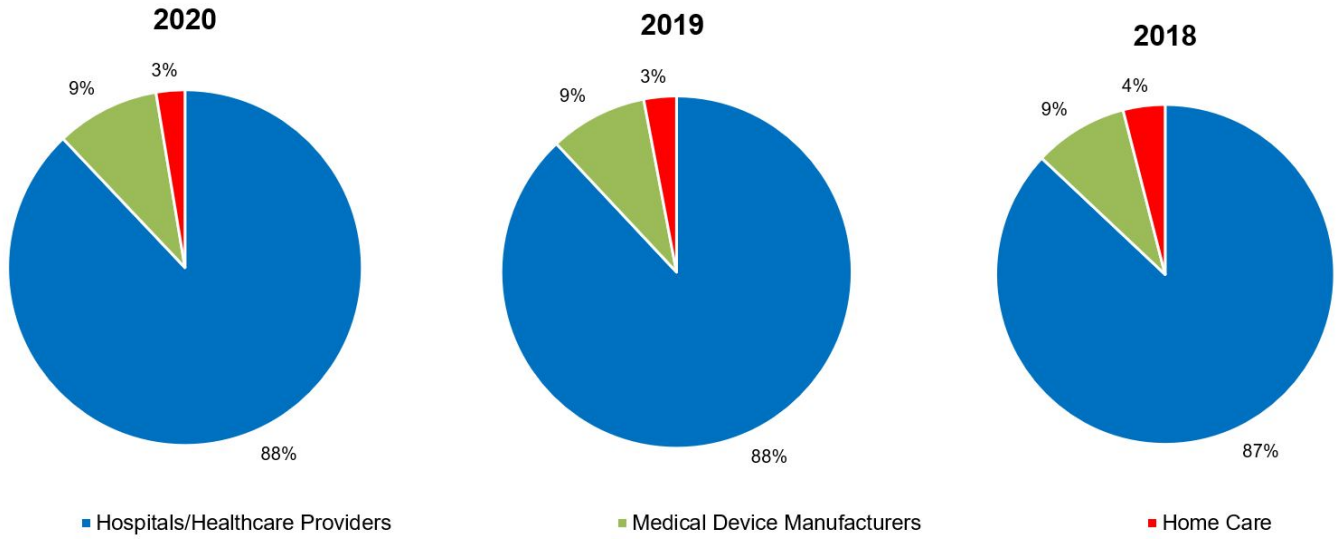
Interventional Urology: Our interventional urology product category includes the UroLift System, a minimally invasive technology for treating lower urinary tract symptoms due to benign prostatic hyperplasia, or BPH. The UroLift System involves the placement of permanent implants, typically through a transurethral outpatient procedure, that hold the prostate lobes apart to relieve compression on the urethra without cutting, heating or removing prostate tissue. Our Interventional Urology product portfolio is most heavily weighted in our Americas segment.

Respiratory: Our respiratory products are used in a variety of care settings and include oxygen therapy products, aerosol therapy products, spirometry products and ventilation management products marketed under the Hudson RCI brand name.

Urology: Our urology product portfolio provides bladder management for patients in the hospital and individuals in the home care markets. The product portfolio consists principally of a wide range of catheters (including Foley, intermittent, external and suprapubic), urine collectors, catheterization accessories and products for operative endourology, which are marketed under the Rusch brand name. Our urology product portfolio is most heavily weighted in our EMEA segment.

OUR MARKETS

We generally serve three end-markets: hospitals and healthcare providers, medical device manufacturers and home care. These markets are affected by a number of factors, including demographics, utilization and reimbursement patterns. The following charts depict the percentage of net revenues for the years ended December 31, 2020, 2019 and 2018 derived from each of our end markets.



GOVERNMENT REGULATION

We are subject to comprehensive government regulation both within and outside the U.S. relating to the development, manufacture, sale and distribution of our products.

Regulation of Medical Devices in the U.S

All of our medical devices manufactured or distributed in the U.S. are subject to requirements set forth by the Federal Food, Drug, and Cosmetic Act ("FDC Act") and regulations promulgated by the FDA under the FDC Act, which are enforced by the FDA. The FDA and, in some cases, other government agencies administer requirements for the methods used in, and the facilities and controls used for, the design, manufacture, packaging, labeling, storage, installation, servicing, marketing, importing and exporting of all finished devices intended for human use. Additional FDA requirements include premarket clearance and approval, advertising and promotion, distribution and post-market surveillance of our medical devices and establishment of registration and device listing for our facilities.

Unless an exemption, pre-amendment grandfather status (that is, medical devices legally marketed in the U.S. before May 28, 1976) or FDA enforcement discretion applies, each medical device that we market in the U.S. must first receive either clearance as a Class I or, typically, a Class II device (after submitting a premarket notification ("510(k)") or approval as a Class III device (after filing a premarket approval application ("PMA")) from the FDA pursuant to the FDC Act. To obtain 510(k) clearance, a manufacturer must demonstrate to the FDA that the proposed device is substantially equivalent to a legally marketed device (a 510(k)-cleared device, pre-amendment device for which FDA has not called for PMAs or a device with a de novo authorization), referred to as the "predicate device." Substantial equivalence is established by the applicant showing that the proposed device has the same intended use as the predicate device, and it either has the same technological characteristics or has been shown to be equally safe and effective and does not raise different questions of safety and effectiveness as compared to the predicate device. The FDA's 510(k) clearance process requires regulatory competence to execute and usually takes four to nine months, but it can last longer. A device that is not eligible for the 510(k) process because there is no predicate device may be reviewed by the FDA through the de novo process (the process for granting marketing authorization when no substantially equivalent device exists) if the FDA agrees it is a low to moderate risk device. A device not eligible for 510(k) clearance or de novo authorization is categorized as Class III and must follow the PMA approval pathway, which requires proof of the safety and effectiveness of the device to the FDA's satisfaction. The process of obtaining PMA approval also requires specific regulatory competence and is more costly, lengthy and uncertain than the 510(k) or de novo processes. The PMA process generally takes from one to three years or even longer. Our portfolio of existing products and pipeline of potential new products consist primarily of Class I (510(k) exempt) and Class II devices that require 510(k) clearance, although a few are 510(k)-

exempt. In addition, certain modifications made to devices after they receive clearance or approval may require a new 510(k) clearance or approval of a PMA or PMA supplement. We cannot be sure that 510(k) clearance or PMA approval will be obtained in a timely matter if at all for any device that we propose to market.

A clinical trial is almost always required to support a PMA application and is sometimes required for a 510(k) clearance or a de novo authorization. The sponsor of a clinical trial must comply with and conduct the study in accordance with the applicable federal regulations, including FDA's requirements for investigational device exemptions ("IDE") requirements and good clinical practice ("GCP"). Clinical trials must also be approved by an institutional review board ("IRB"), which is an appropriately constituted group that has been formally designated to review biomedical research involving human subjects and which has the authority to approve, require modifications to, or disapprove research to protect the rights, safety, and welfare of human research subjects. The FDA may order the temporary or permanent hold or discontinuation of a clinical trial at any time, or impose other sanctions, if it believes that the clinical trial either is not being conducted in accordance with FDA requirements or presents an unacceptable risk to the clinical trial subjects. An IRB may also require the clinical trial to be halted at a given clinical trial site for failure to comply with the IRB's requirements or to adequately ensure the protection of human subjects, or may impose other conditions. Conducting medical device clinical trials is a complex and costly activity and frequently requires the use of outsourced resources that specialize in planning, conducting and/or monitoring the clinical trial for the medical device manufacturer.

A device placed on the market must comply with numerous regulatory requirements. Those regulatory requirements include, but are not limited to, the following:

- device listing and establishment registration;
- adherence to the Quality System Regulation ("QSR"), which requires stringent design, testing, control, documentation, complaint handling and other quality assurance procedures;
- labeling, including advertising and promotion, requirements;
- prohibitions against the promotion of off-label uses or indications;
- adverse event and malfunction reporting (Medical Device Reports or "MDRs");
- post-approval restrictions or conditions, potentially including post-approval clinical trials or other required testing;
- post-market surveillance requirements;
- the FDA's recall authority, whereby it can require or request the recall of products from the market; and
- reporting and documentation of voluntary corrections or removals.

The FDA has issued final regulations regarding the Unique Device Identification ("UDI") System, which requires manufacturers to label or mark certain medical devices and/or their packaging with unique identifiers. Although the FDA expects that the UDI System will help track products during recalls and improve patient safety, it has required us to make changes to our manufacturing and labeling, which could increase our costs. The UDI System is being implemented in stages based on device risk, with the first requirements having taken effect in September 2014 and the last taking effect in September 2022.

Certain of our medical devices are sold in kits that include a drug component, such as lidocaine. These types of kits are generally regulated as combination products within the Center for Devices and Radiological Health ("CDRH") under the device regulations because the device provides the primary mode of action of the kit. Although the kit as a whole is regulated as a medical device, it may be subject to certain drug requirements such as current good manufacturing practices ("cGMPs") and adverse drug experience reporting requirements, to the extent applicable to the drug-component repackaging activities and subject to inspection to verify compliance with cGMPs as well as other regulatory requirements.

Our manufacturing facilities, as well as those of certain of our suppliers, are subject to periodic and for-cause inspections by FDA personnel to verify compliance with the QSR (21 CFR Part 820) as well as other regulatory requirements. Similar inspections and audits are performed by Notified Bodies to verify compliance to applicable ISO standards (e.g. ISO 13485:2016), by auditing organizations under the Medical Device Single Audit Program ("MDSAP") applicable to regulatory requirements of Australia, Brazil, Canada, Japan and the U.S., and/or by regulatory authorities to verify compliance with medical device regulations and requirements from the countries in which we distribute product. If the FDA were to find that we or certain of our suppliers have failed to comply with

applicable regulations, it could institute a wide variety of enforcement actions, ranging from issuance of a warning or untitled letter to more severe sanctions, such as product recalls or seizures, civil penalties, consent decrees, injunctions, criminal prosecution, operating restrictions, partial suspension or total shutdown of production, refusal to permit importation or exportation, refusal to grant, or delays in granting, clearances or approvals or withdrawal or suspension of existing clearances or approvals. The FDA also has the authority under certain circumstances to request repair, replacement or refund of the cost of any medical device manufactured or distributed by us. Any of these actions could have an adverse effect on our business.

Regulation of Medical Devices Outside of the U.S.

Medical device laws also are in effect in many of the markets outside of the U.S. in which we do business. These laws range from comprehensive device approval requirements for some or all of our products to requests for product data or certifications. Inspection of and controls over manufacturing, as well as monitoring of device-related adverse events, are components of most of these regulatory systems. Manufacturing certification requirements and audits through the MDSAP program or other regulatory authority inspections also apply. In addition, the European Union (“EU”) has adopted the EU Medical Device Regulation (the “EU MDR”), which imposes stricter requirements for the marketing and sale of medical devices (as compared to the predecessor Medical Device Directive), including in the area of clinical evaluation requirements, quality systems, economic operators and post-market surveillance. Manufacturers of currently marketed medical devices will have until May 2021 to meet the requirements of the EU MDR. Failure to meet these requirements could adversely impact our business in the EU and other regions that tie their product registrations to the EU requirements.

Healthcare Laws

We are subject to various federal, state and local laws in the U.S. targeting fraud and abuse in the healthcare industry. These laws prohibit us from, among other things, soliciting, offering, receiving or paying any remuneration to induce the referral or use of any item or service reimbursable under Medicare, Medicaid or other federally or state financed healthcare programs. Violations of these laws are punishable by imprisonment, criminal fines, civil monetary penalties and exclusion from participation in federal healthcare programs. In addition, we are subject to federal and state false claims laws in the U.S. that prohibit the submission of false payment claims under Medicare, Medicaid or other federally or state funded programs. Certain marketing practices, such as off-label promotion, and violations of federal anti-kickback laws may also constitute violations of these laws.

In addition, we are subject to various federal and state reporting and disclosure requirements related to the healthcare industry. Rules issued by the Centers for Medicare & Medicaid Services ("CMS") require us to collect and report information on payments or transfers of value to physicians and teaching hospitals, as well as investment interests held by physicians and their immediate family members. Effective January 2022, we will also be required to collect and report information on payments or transfers of value to physician assistants, nurse practitioners, clinical nurse specialists, certified registered nurse anesthetists and certified nurse-midwives. The reported data is available to the public on the CMS website. Failure to submit required information may result in civil monetary penalties. In addition, several states now require medical device companies to report expenses relating to the marketing and promotion of device products and to report gifts and payments to individual physicians in these states. Other states prohibit various other marketing-related activities. The federal government and certain other states require the posting of information relating to clinical studies and their outcomes. The shifting commercial compliance environment and the need to build and maintain robust and expandable systems to comply with the different compliance and/or reporting requirements among a number of jurisdictions increases the possibility that a healthcare company may violate one or more of the requirements, resulting in increased compliance costs that could adversely impact our results of operations.

Further, the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act (collectively, the “Affordable Care Act”), imposed regulatory mandates and other measures designed to contain the cost of healthcare, in addition to annual reporting and disclosure requirements on device manufacturers for any “transfer of value” made or distributed to physicians or teaching hospitals. Violations of these laws are punishable by a range of fines, penalties and other sanctions.

Other Regulatory Requirements

We are also subject to the U.S. Foreign Corrupt Practices Act and similar anti-bribery laws applicable in jurisdictions outside the U.S. that generally prohibit companies and their intermediaries from improperly offering or paying anything of value to non-U.S. government officials for the purpose of obtaining or retaining business. Because of the predominance of government-sponsored healthcare systems around the world, most of our

customer relationships outside of the U.S. are with government entities and are therefore subject to such anti-bribery laws. Our policies mandate compliance with these anti-bribery laws. We operate in many parts of the world that have experienced government corruption to some degree, and in certain circumstances strict compliance with anti-bribery laws may conflict with local customs and practices. In the sale, delivery and servicing of our medical devices and software outside of the U.S., we must also comply with various export control and trade embargo laws and regulations, including those administered by the Department of Treasury's Office of Foreign Assets Control ("OFAC") and the Department of Commerce's Bureau of Industry and Security ("BIS") which may require licenses or other authorizations for transactions relating to certain countries and/or with certain individuals identified by the U.S. government. Despite our global trade and compliance program, our internal control policies and procedures may not always protect us from reckless or criminal acts committed by our employees, distributors or other agents. Violations of these requirements are punishable by criminal or civil sanctions, including substantial fines and imprisonment.

COMPETITION

The medical device industry is highly competitive. We compete with many companies, ranging from small start-up enterprises to companies that are larger and more established than us and have access to significantly greater financial resources. Furthermore, extensive product research and development and rapid technological advances characterize the market in which we compete. We must continue to develop and acquire new products and technologies for our businesses to remain competitive. We believe that we compete primarily on the basis of clinical superiority and innovative features that enhance patient benefit, product reliability, performance, customer and sales support, and cost-effectiveness.

SALES AND MARKETING

Our product sales are made directly to hospitals, healthcare providers, distributors and to original equipment manufacturers of medical devices through our own sales forces, independent representatives and independent distributor networks.

BACKLOG

Most of our products are sold to hospitals or healthcare providers on orders calling for delivery within a few days or weeks, with longer order times for products sold to medical device manufacturers. Therefore, our backlog of orders is not indicative of revenues to be anticipated in any future 12-month period.

PATENTS AND TRADEMARKS

We own a portfolio of patents, patents pending and trademarks. We also license various patents and trademarks. Patents for individual products extend for varying periods based upon the date of patent filing or grant and the legal term of patents in the various countries where patent protection is obtained. Trademark rights may potentially extend for longer periods of time and are dependent upon national laws and use of the marks. All product names throughout this document are trademarks owned by, or licensed to, us or our subsidiaries. Although these have been of value and are expected to continue to be of value in the future, we do not consider any single patent or trademark, except for the Teleflex and Arrow brands, to be essential to the operation of our business.

SUPPLIERS AND MATERIALS

Materials used in the manufacture and sterilization of our products are purchased from a large number of suppliers in diverse geographic locations. We are not dependent on any single supplier for a substantial amount of the materials used, the components supplied and the sterilization services provided for our overall operations. Most of the materials, components and sterilization services we utilize are available from multiple sources, and where practical, we attempt to identify alternative suppliers. However, our ability to establish alternate sources of supply of materials and sterilization services may be delayed due to FDA and other regulatory authority requirements regarding the manufacture and sterilization of our products. Volatility in commodity prices, particularly with respect to aluminum, steel and plastic resins, can have a significant impact on the cost of producing certain of our products. We may not be able to successfully pass cost increases through to all of our customers, particularly original equipment manufacturers.

RESEARCH AND DEVELOPMENT

We are engaged in both internal and external research and development. Our research and development efforts support our strategic objectives to provide innovative new, safe and effective products that enhance clinical value by

reducing infections, improving patient and clinician safety, enhancing patient outcomes and enabling less invasive procedures.

We also acquire or license products and technologies that are consistent with our strategic objectives and enhance our ability to provide a full range of product and service options to our customers.

SEASONALITY

Portions of our revenues are subject to seasonal fluctuations. Incidence of flu and other disease patterns and, to a lesser extent, the frequency of elective medical procedures affect revenues related to single-use products. Historically, we have experienced higher sales in the fourth quarter as a result of these factors.

HUMAN CAPITAL RESOURCES

As of December 31, 2020, we employed approximately 14,000 employees including 4,000 employees in the U.S. and 10,000 employees in 31 other countries around the world. Our manufacturing employees make up 58% of the total employee population, and are located primarily in Mexico, Malaysia and the Czech Republic. Our commercial organization comprises 25% of the employee base, located throughout the globe. The remaining 17% of employees work in various corporate functions, based in each of our locations.

We believe our employees are a significant differentiating factor and play a critical role in our ability to deliver on our commitments to patients and execute our strategy to our customers and shareholders. Our management team places significant focus and attention to matters affecting our people, particularly our commitment to our Core Values, capability development, total rewards and diversity, as well as how each employee experiences our culture.

Culture

The culture of our organization is critical to the human capital we attract, develop and retain and who, in turn, contribute to the results and success of our organization. Our culture is framed by our Core Values – building trust, entrepreneurial spirit and making our workplace fun, with people at the center of all we do. We strive to develop and sustain our culture by embedding these values in all aspects of our organization, including our human capital strategies.

Talent Management, Development and Learning

We are committed to providing our employees with opportunities for growth, development and career advancement and to building a high-performance culture that supports our Core Values throughout the employee lifecycle. We have implemented a talent management process that provides regular coaching check-ins between employees and their manager to review the employee's developmental objectives and career progression. We also regularly review our talent portfolio and succession plans to ensure we can deliver on our company strategy.

In addition, we offer a number of internal educational and training resources to employees throughout our organization. Among these resources is the Teleflex Academy, a curriculum that provides learning opportunities for our employees to further develop their skills and receive training across broad subject areas such as leadership; communications; diversity, equity and inclusion; sales; customer service; and business acumen.

Diversity, Equity and Inclusion

We believe that diversity, equity, and inclusion (DEI) drives value for employees, patients, customers and shareholders by engaging a broad range of perspectives and experiences to enrich our offering to these communities. We are continuing to cultivate this diversity through the efforts of our Corporate DEI Council and four regional DEI councils (North America, Latin America, EMEA and APAC), whose goals include supporting the attraction, development and retention of diverse employees in alignment with our Core Values.

One pillar of our DEI platform includes sponsoring our globally expanding Employee Resource Groups (ERGs) which we initiated with Women Inspiring Learning and Leadership in 2016, and which have since grown to include several other ERGs as of the end of 2020. Our ERGs are managed by employees and participation is open to all.

In our efforts to provide a diverse slate of candidates to our hiring managers, we deploy several recruitment channels to source talent from a variety of organizations including multiple social media outlets, co-op placement, local universities and technology institutes. We also work with numerous external recruiting firms that focus on diverse candidates.

Total Rewards

We actively manage our global compensation and benefit programs to ensure we can attract and retain the critical human capital we need to continue to deliver on our commitments to employees, customers, patients and shareholders. We believe our compensation offering is aligned to competitive market pay levels and, along with our culture and Core Values, acts to incentivize the right behaviors and actions to achieve the best results for the organization. We structure our compensation to include a mix of pay components of base salary, short-term cash incentives and long-term incentives. We offer our employees health, welfare and retirement benefits and have implemented policies addressing paid time off, flexible work schedules, employee assistance, parental leave and family benefits, among others.

Environmental, Health and Safety

Our Environmental Health and Safety (EHS) vision is to protect the safety and health of Teleflex personnel and the environments in which we operate. We have a vested interest in protecting our most valuable assets – our employees. Everyone is a steward of EHS, fostering a culture of being actively responsible in all our operations. We remain fully committed to complying with all relevant EHS legislation and to achieving our vision. We have and will continue to expend resources to construct, maintain, operate and improve our facilities across the globe for environmental, health, safety and sustainability of our operations. For example, in response to the risks associated with the COVID-19 pandemic, we have expended resources to implement various safety measures, including implementing social distancing protocols and expanding personal protective equipment availability and usage, across our facilities globally in an effort to protect the health and safety of our employees and others.

ENVIRONMENTAL

We are subject to various environmental laws and regulations both within and outside the U.S. Our operations, like those of other medical device companies, involve the use of substances regulated under environmental laws, primarily in manufacturing and sterilization processes. While we continue to devote resources to compliance with existing environmental laws and regulations, we cannot ensure that our costs of complying with current or future environmental protection, health and safety laws and regulations will not exceed our estimates or will not have a material adverse effect on our business, financial condition, results of operations and cash flows. Further, we cannot ensure that we will not be subject to environmental claims for personal injury or cleanup in the future based on our past, present or future business activities.

INVESTOR INFORMATION

We are subject to the reporting requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Therefore, we file reports, proxy statements and other information with the Securities and Exchange Commission (SEC). The SEC maintains a website (http://www.sec.gov) that contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC.

You can access financial and other information about us in the Investors section of our website, which can be accessed at www.teleflex.com. We make available through our website, free of charge, copies of our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed with or furnished to the SEC under Section 13(a) or 15(d) of the Exchange Act as soon as reasonably practicable after electronically filing or furnishing such material to the SEC. The information on our website is not part of this Annual Report on Form 10-K. The reference to our website address is intended to be an inactive textual reference only.

We are a Delaware corporation incorporated in 1943. Our executive offices are located at 550 East Swedesford Road, Suite 400, Wayne, PA 19087.

INFORMATION ABOUT OUR EXECUTIVE OFFICERS

The names and ages of our executive officers and the positions and offices held by each such officer are as follows:

Name	Age	Positions and Offices with Company
Liam J. Kelly	54	Chairman, President and Chief Executive Officer
Thomas E. Powell	59	Executive Vice President and Chief Financial Officer
Cameron P. Hicks	56	Corporate Vice President, Human Resources and Communications
Daniel V. Logue	47	Corporate Vice President, General Counsel and Secretary
Jay White	47	Corporate Vice President and President, Global Commercial
Mario Wijker	53	Corporate Vice President, QA/RA
James Winters	48	Corporate Vice President, Manufacturing and Supply Chain

Mr. Kelly has been our President and Chief Executive Officer since January 2018 and has been Chairman of our Board of Directors since May 2020. From May 2016 to December 31, 2017, Mr. Kelly served as our President and Chief Operating Officer. From April 2015 to April 2016, he served as Executive Vice President and Chief Operating Officer. From April 2014 to April 2015, Mr. Kelly served as Executive Vice President and President, Americas. From June 2012 to April 2014 Mr. Kelly served as Executive Vice President and President, International. He also has held several positions with regard to our EMEA segment, including President from June 2011 to June 2012, Executive Vice President from November 2009 to June 2011, and Vice President of Marketing from April 2009 to November 2009. Prior to joining Teleflex, Mr. Kelly held various senior level positions with Hill-Rom Holdings, Inc., a medical device company, from October 2002 to April 2009, serving as its Vice President of International Marketing and R&D from August 2006 to February 2009.

Mr. Powell has been our Executive Vice President and Chief Financial Officer since February 2013. From March 2012 to February 2013, Mr. Powell was Senior Vice President and Chief Financial Officer. He joined Teleflex in August 2011 as Senior Vice President, Global Finance. Prior to joining Teleflex, Mr. Powell served as Chief Financial Officer and Treasurer of Tomotherapy Incorporated, a medical device company, from June 2009 until June 2011. In 2008, he served as Chief Financial Officer of Textura Corporation, a software provider. From April 2001 until January 2008, Mr. Powell was employed by Midway Games, Inc., a software provider, serving as its Executive Vice President, Chief Financial Officer and Treasurer from September 2001 until January 2008. Mr. Powell has also held leadership positions with Dade Behring, Inc., PepsiCo, Bain & Company, Tenneco Inc. and Arthur Andersen & Company.

Mr. Hicks has been our Corporate Vice President, Human Resources and Communications since April 2013. Prior to joining Teleflex, Mr. Hicks served as Executive Vice President of Human Resources & Organizational Effectiveness for Harlan Laboratories, Inc., a private global provider of pre-clinical and non-clinical research services, from July 2010 to March 2013. From April 1990 to January 2010, Mr. Hicks held various leadership roles with MDS Inc., a provider of products and services for the development of drugs and the diagnosis and treatment of disease, including Senior Vice President of Human Resources for MDS' global Pharma Services division from November 2000 to January 2010.

Mr. Logue has been our Corporate Vice President, General Counsel and Secretary since January 2021. Mr. Logue joined Teleflex in 2004 and previously held the positions of Deputy General Counsel from February 2017 to December 2020, Associate General Counsel from March 2013 to January 2017 and Assistant General Counsel from June 2004 to February 2013. Prior to joining Teleflex, Mr. Logue was an associate at the law firm of Pepper Hamilton LLP (now Troutman Pepper Hamilton Sanders LLP) from September 1999 to June 2004.

Mr. White has been our Corporate Vice President and President, Global Commercial since February 2021. From February 2017 to January 2021, Mr. White served as our President, The Americas, and from December 2013 to January 2017 he served as President and General Manager, Vascular. From January 2013 to November 2013, Mr. White served as our President and General Manager, Surgical. Prior to that, he served as our Vice President and General Manager, Surgical from January 2010 to December 2012. Mr. White joined Teleflex in March 2005 as our Director of Marketing, North America. Prior to joining Teleflex, Mr. White worked at Covidien plc (now part of Medtronic plc) where he held senior leadership positions in sales and marketing over a five-year period.

Mr. Wijker has been our Corporate Vice President, Quality Assurance and Regulatory Affairs since January 2019. Prior to joining Teleflex, Mr. Wijker served as Global Vice President Quality and Regulatory for Mölnlycke Health Care AB, a medical device company, from May 2016 to December 2018. From April 2014 to January 2016,

Mr. Wijker served as Senior Director Global Regulatory Affairs for Boston Scientific Corporation, a medical device company. From January 2012 to March 2014, he held the position of Director Quality and Regulatory Affairs International for the American Medical Systems division of Endo International plc, a pharmaceutical company. From September 2003 to December 2011, Mr. Wijker held various regulatory affairs and quality assurance positions with Life Technologies Corporation, a life sciences and in vitro diagnostics company.

Mr. Winters has been our Corporate Vice President, Manufacturing and Supply Chain since February 2020. He previously held the position of Vice President, Global Manufacturing from March 2018 to January 2020. Prior to joining Teleflex, Mr. Winters held various senior management and operational roles with the DePuy Synthes division of Johnson & Johnson, a healthcare company, from August 2005 to February 2018. Most recently, Mr. Winters served as Vice President of Global Manufacturing for Global Joint Reconstruction for DePuy Synthes from February 2015 to February 2018. Prior to that, Mr. Winters served as Plant Manager for the DePuy Synthes Ireland Manufacturing Operation.

Our officers are elected annually by our board of directors. Each officer serves at the discretion of the board.

ITEM 1A. *RISK FACTORS*

In addition to the other information set forth in this Annual Report on Form 10-K, you should carefully consider the following factors which could have a material adverse effect on our business, financial condition, results of operations, cash flows or stock price. The risks below are not the only risks we face. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may also adversely affect our business, financial condition, results of operations or stock price.

Risks Relating to our Business and Operations

We face strong competition. Our failure to successfully develop and market new products could adversely affect our business.

The medical device industry is highly competitive. We compete with many domestic and foreign medical device companies ranging from small start-up enterprises that might sell only a single or limited number of competitive products or compete only in a specific market segment, to companies that are larger and more established than us, have a broad range of competitive products, participate in numerous markets and have access to significantly greater financial and marketing resources than we do.

In addition, the medical device industry is characterized by extensive product research and development and rapid technological advances. The future success of our business will depend, in part, on our ability to design and manufacture new competitive products and enhance existing products. Our product development efforts may require us to make substantial investments. There can be no assurance that we will be able to successfully develop new products, enhance existing products or achieve market acceptance of our products, due to, among other things, our inability to:

- identify viable new products;
- maintain sufficient liquidity to fund our investments in research and development and product acquisitions;
- obtain adequate intellectual property protection;
- gain market acceptance of new products; or
- successfully obtain regulatory approvals.

In addition, our competitors currently may be developing, or may develop in the future, products that provide better features, clinical outcomes or economic value than those that we currently offer or subsequently develop. Our failure to successfully develop and market new products or enhance existing products could have a material adverse effect on our business, financial condition and results of operations.

Our results of operations and financial condition may be adversely affected by public health epidemics, including the ongoing COVID-19 global health pandemic.

We are subject to risks associated with public health threats, including the ongoing COVID-19 pandemic. The COVID-19 pandemic has significantly impacted economic activity and markets around the world and has negatively impacted our operations, financial performance and cash flows. Because the severity, magnitude, and duration of the COVID-19 pandemic and its economic consequences are uncertain, rapidly changing and difficult to predict, the pandemic's impact on our operations and financial performance, as well as its impact on our ability to execute our

business strategies and initiatives successfully, remains uncertain and difficult to predict. Further, the ultimate impact of the COVID-19 pandemic on our operations and financial performance depends on many factors that are not within our control, including, but not limited, to: governmental, business and individuals' actions that have been and continue to be taken in response to the pandemic (including restrictions on travel, transport and workforce pressures, and deferrals or postponements of elective procedures); the impact of the pandemic and actions taken in response on global and regional economies, travel and economic activity; the availability of federal, state, local or non-U.S. funding programs; general economic uncertainty in key global markets and financial market volatility; global economic conditions and levels of economic growth; and the timing and pace of recovery when the COVID-19 pandemic subsides, which could be impacted by a number of factors, including limited provider capacity to perform procedures using our products that were deferred as a result of the pandemic.

The COVID-19 pandemic has subjected, and is expected to continue to subject, our operations, financial performance and financial condition to a number of risks, including, but not limited to those discussed below:

- It has resulted, and we expect it will continue to result, in lower revenues in certain of our product categories, including our interventional urology (which revenues are primarily concentrated in our Americas segment), surgical, interventional, anesthesia and OEM product categories, in which we sell products largely utilized in elective procedures, which have been significantly reduced or suspended due to the pandemic.
- It has resulted in higher revenues in our respiratory and vascular access product categories. However, we are unable to predict how long this increased demand will last or how significant it will be.
- It has caused and may continue to cause disruptions in the manufacture of our products. We currently rely on our 35 manufacturing sites, with major manufacturing operations located in the Czech Republic, Germany, Malaysia, Mexico and the U.S., to manufacture our products. The COVID-19 pandemic, and/or the governmental or regulatory actions taken in response to COVID-19 pandemic, may interfere with our ability, or that of our employees or suppliers to perform our and their respective responsibilities and obligations relative to the conduct of our business and create a risk to our ability to manufacture our products in a timely manner, or at all. We have experienced and expect to continue to experience inefficiencies in our manufacturing operations due to government-mandated and self-imposed restrictions placed on facilities in certain locations primarily in North America and Asia. Additionally, we have experienced and continue to experience a higher than normal level of absenteeism across our global manufacturing sites. In an effort to increase the wider availability of needed medical device products, we may elect to, or the government may require us to, allocate manufacturing capacity (for example, pursuant to the U.S. Defense Production Act) in a way that adversely affects our regular operations and financial results, results in differential treatment of customers and/or adversely affects our customer relationships and reputation.
- While we have not experienced significant payment defaults by, or identified other significant collectability concerns with, our customers to date, we may be adversely impacted by delays in payments of outstanding receivables if our customers experience financial difficulties or are unable to borrow money to fund their operations, which may adversely impact their ability to pay for our products on a timely basis, if at all.
- The COVID-19 pandemic, including related illness, border closures, travel restrictions, quarantines, lockdowns or other workforce disruptions, could disrupt our suppliers or our suppliers' suppliers and/or the distribution of our products, whether through our direct sales force or our distributors. These disruptions, or our failure to respond to them, could increase manufacturing or distribution costs or cause delays in delivering, or an inability to deliver, products to our customers.
- The COVID-19 pandemic has increased volatility and pricing in the capital markets, and volatility is likely to continue. We might not be able to continue to access preferred sources of liquidity when we would like, and our borrowing costs could increase.

These and other impacts of the COVID-19 pandemic, or other pandemics or epidemics, could have the effect of heightening many of the other risks described herein. We might not be able to predict or respond to all impacts on a timely basis to prevent near- or long-term adverse impacts to our results. However, these effects could have an adverse impact on our liquidity, capital resources, operations and business and those of the third parties on which we rely, and such impact could be material.

Our customers depend on third party coverage and reimbursements, and the failure of healthcare programs to provide sufficient coverage and reimbursement for our medical products could adversely affect us.

The ability of our customers to obtain coverage and reimbursement for our products is important to our business. Demand for many of our existing and new medical products is, and will continue to be, affected by the

extent to which government healthcare programs and private health insurers reimburse our customers for patients' medical expenses in the countries where we do business. Even when we develop or acquire a promising new product, demand for the product may be limited unless reimbursement approval is obtained from private and government third party payors. Internationally, healthcare reimbursement systems vary significantly. In some countries, medical centers are constrained by fixed budgets, regardless of the volume and nature of patient treatment. Other countries require application for, and approval of, government or third party reimbursement. Without both favorable coverage determinations by, and the financial support of, government and third party insurers, the market for many of our medical products would be adversely affected. In this regard, we cannot be sure that third party payors will maintain the current level of coverage and reimbursement to our customers for use of our existing products. Adverse coverage determinations, including reductions in the amount of reimbursement, could harm our business by discouraging customers' selection of, and reducing the prices they are willing to pay for, our products.

In addition, as a result of their purchasing power, third party payors have implemented and are continuing to implement cost cutting measures such as seeking discounts, price reductions or other incentives from medical products suppliers and imposing limitations on coverage and reimbursement for medical technologies and procedures. These trends could compel us to reduce prices for our products and could cause a decrease in the size of the market or a potential increase in competition that could negatively affect our business, financial condition and results of operations.

We are subject to extensive government regulation, which may require us to incur significant expenses to ensure compliance. Our failure to comply with those regulations could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Our products are medical devices and are subject to extensive regulation in the U.S. by the FDA and by comparable government agencies in other countries. The regulations govern, among other things, the development, design, clinical testing, premarket clearance and approval, manufacturing, labeling, importing and exporting and sale and marketing of many of our products. Moreover, these regulations are subject to future change.

In the U.S., before we can market a new medical device, or a new use of, or claim for, or significant modification to, an existing product, we generally must first receive either 510(k) clearance or de novo authorization or approval of a premarket approval application, or PMA, from the FDA. Similarly, most major markets for medical devices outside the U.S. also require clearance, approval, authorization or compliance with certain standards before a product can be commercially marketed. In the EU, the EU MDR will, when it enters into full force in May 2021, include significant additional pre- and post-market requirements. The process of obtaining regulatory clearances and approvals to market a medical device, particularly from the FDA and certain foreign government authorities, can be costly and time consuming, and clearances and approvals might not be granted for new products on a timely basis, if at all. In addition, once a device has been cleared or approved, a new clearance or approval may be required before the device may be modified or its labeling changed. Furthermore, the FDA or a foreign government authority may make its review and clearance or approval process more rigorous, which could require us to generate additional clinical or other data, and expend more time and effort, in obtaining future product clearances or approvals. The regulatory clearance and approval process may result in, among other things, delayed realization of product revenues, substantial additional costs or limitations on indicated uses of products, any one of which could have a material adverse effect on our financial condition and results of operations. Even after a product has received marketing approval or clearance, such product approval or clearance can be withdrawn or limited due to unforeseen problems with the device or issues relating to its application, or the FDA or a foreign government authority may change the classification of a product, which could require additional clinical studies and new marketing submissions.

Failure to comply with applicable regulations could lead to adverse effects on our business, which could include:

- partial suspension or total shutdown of manufacturing;
- product shortages;
- delays in product manufacturing;
- warning or untitled letters;
- fines or civil penalties;
- delays in or restrictions on obtaining new regulatory clearances or approvals;
- withdrawal or suspension of required clearances, approvals or licenses;

- product seizures or recalls;
- injunctions;
- criminal prosecution;
- advisories or other field actions;
- operating restrictions; and
- prohibitions against exporting of products to, or importing products from, countries outside the U.S.

We could be required to expend significant financial and human resources to remediate failures to comply with applicable regulations and quality assurance guidelines. In addition, civil and criminal penalties, including exclusion under Medicaid or Medicare, could result from certain regulatory violations. Any one or more of these events could have a material adverse effect on our business, financial condition and results of operations.

Medical devices are cleared or approved for one or more specific intended uses and performance claims must be adequately substantiated. Promoting a device for a use outside of the cleared or approved intended use or population, that is, an off-label use, or making false, misleading or unsubstantiated claims could result in government enforcement action.

Furthermore, our facilities are subject to periodic inspection by the FDA and other federal, state and foreign government authorities, which require manufacturers of medical devices to adhere to certain regulations, including the FDA's Quality System Regulation ("QSR"), which requires, among other things, periodic audits, design controls, quality control testing and documentation procedures, as well as complaint evaluations and investigation. In addition, any facilities assembling kits that include drug components and are registered as drug repackaging establishments are also subject to current good manufacturing practices requirements for drugs. The FDA also requires the reporting of certain adverse events and product malfunctions and requires the reporting of certain recalls or other field safety corrective actions for medical devices. Issues identified through such inspections and reports may result in FDA enforcement action through any of the actions discussed above. Moreover, issues identified through such inspections and reports may require significant resources to resolve.

We are subject to healthcare fraud and abuse laws, regulation and enforcement; our failure to comply with those laws could have a material adverse effect on our results of operations and financial condition.

We are subject to healthcare fraud and abuse regulation and enforcement by the federal government and the governments of those states and foreign countries in which we conduct our business. The laws that may affect our ability to operate include:

- the federal healthcare anti-kickback statute, which, among other things, prohibits persons from knowingly and willfully offering or paying remuneration, one purpose of which is to induce either the referral of an individual for, or the purchase, order or recommendation of, any good or service for which payment may be made under federal healthcare programs such as Medicare and Medicaid, or soliciting payment for such referrals, purchases, orders and recommendations;
- federal false claims laws which, among other things, prohibit individuals or entities from knowingly presenting, or causing to be presented, false or fraudulent claims for payment from the federal government, including Medicare, Medicaid or other third-party payors;
- the federal Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), which prohibits schemes to defraud any healthcare benefit program and false statements relating to healthcare matters; and
- state law equivalents of each of the above federal laws, such as anti-kickback and false claims laws which may apply to items or services reimbursed by any third-party payor, including commercial insurers.

If our operations are found to be in violation of any of these laws or any other government regulations, we may be subject to penalties, including civil and criminal penalties, damages, fines, the curtailment or restructuring of our operations, the exclusion from participation in federal and state healthcare programs and imprisonment of personnel, any of which could adversely affect our ability to operate our business and our financial results. The risk of our being found to have violated these laws is increased by the fact that many of them have not been fully interpreted by the regulatory authorities or the courts, and their provisions are open to a variety of interpretations.

Further, the Affordable Care Act imposed annual reporting and disclosure requirements on device manufacturers for any "transfer of value" made or distributed to physicians or teaching hospitals. Effective January 2022, we will also be required to collect and report information on payments or transfers of value to physician assistants, nurse practitioners, clinical nurse specialists, certified registered nurse anesthetists and certified nurse-

midwives. The reported information is made publicly available in a searchable format. In addition, device manufacturers are required to report and disclose any investment interests held by physicians and their immediate family members during the preceding calendar year. Failure to submit required information may result in civil monetary penalties for each payment, transfer of value or ownership or investment interests not reported in an annual submission, up to an aggregate of $150,000 per year (and up to an aggregate of $1 million per year for "knowing failures").

In addition, there has been a recent trend of increased federal and state regulation of payments made to healthcare providers. Some states, such as California, Connecticut, Nevada and Massachusetts, mandate implementation of compliance programs that include the tracking and reporting of gifts, compensation for consulting and other services, and other remuneration to healthcare providers. The shifting commercial compliance environment and the need to build and maintain robust and expandable systems to comply with the different compliance and/or reporting requirements among a number of jurisdictions increases the possibility that we may inadvertently violate one or more of the requirements, resulting in increased compliance costs that could adversely impact our results of operations.

We may not be successful in achieving expected operating efficiencies and sustaining or improving operating expense reductions, and may experience business disruptions associated with restructuring, facility consolidations, realignment, cost reduction and other strategic initiatives.

Over the past several years we have implemented a number of restructuring, realignment and cost reduction initiatives, including facility consolidations, organizational realignments and reductions in our workforce, and we may engage in similar efforts in the future. While we have realized some efficiencies from these initiatives, we may not realize the benefits of these or future initiatives to the extent we anticipated. Further, such benefits may be realized later than expected, and the ongoing difficulties in implementing these measures may be greater than anticipated, which could cause us to incur additional costs or result in business disruptions. In addition, if these measures are not successful or sustainable, we may be compelled to undertake additional restructuring, realignment and cost reduction efforts, which could result in significant additional charges. Moreover, if our restructuring, realignment and cost reduction efforts prove ineffective, our ability to achieve our strategic and business plan goals may be adversely affected.

In addition, as part of our efforts to increase operating efficiencies, we have implemented a number of initiatives over the past several years to consolidate our enterprise resource planning, or ERP, systems. Most recently, we upgraded the ERP system used by our EMEA segment to our global ERP system in 2019. To date, we have not experienced any significant disruptions to our business or operations in connection with these initiatives. However, as we continue our efforts to further consolidate our ERP systems, we could experience business disruptions, which could adversely affect customer relationships and divert the attention of management away from daily operations. In addition, any delays in the implementation of these initiatives could cause us to incur additional unexpected costs. Should we experience such difficulties, our business, cash flows and results of operations could be adversely affected.

Disruptions in sterilization of our products or regulatory initiatives further restricting the use of ethylene oxide in sterilization facilities could adversely affect our results of operations and financial condition.

Many of our products require sterilization prior to sale. A common method for sterilizing medical products involves the use of ethylene oxide, which is listed as a hazardous air pollutant under the Clean Air Act, as amended, and emissions of which are regulated by the U.S. Environmental Protection Agency ("EPA") and other regulatory authorities. One of our contract sterilizers, Sterigenics U.S., LLC, uses ethylene oxide in its sterilization process, including at its facilities in Smyrna, Cobb County, Georgia and Santa Teresa, New Mexico, which have sterilized some of our vascular, surgical, intermittent catheter and OEM products. During the fourth quarter of the year ended December 31, 2019, operations at the Smyrna facility were suspended by state and local officials due to issues associated with the facility's use of ethylene oxide in its sterilization operations, but have since reopened. In December 2020, the New Mexico Attorney General initiated legal proceedings involving the Santa Teresa facility, alleging that its operations have resulted in impermissible ethylene oxide emissions. While both plants are currently operating normally, should their operations be suspended or adversely affected, our ability to provide affected products to our customers could be impaired if we are unable to utilize alternate facilities and sources for sterilization services.

In addition, on October 10, 2019, the attorneys general of 15 states and the District of Columbia sent a letter to the EPA urging that the EPA promptly propose and finalize stricter standards for ethylene oxide emissions. Among

other things, the attorneys general stated that the current EPA standard for ethylene oxide fails to adequately protect workers and communities, and that the use of ethylene oxide, particularly in the medical device sterilization industry, must be reduced. We are unable to predict the manner in which the EPA will respond to the letter. Any additional regulatory restrictions on the emission of ethylene oxide by sterilization facilities might impair our ability to provide sufficient quantities of sterilized products to our customers and compel us to seek sterilization alternatives that do not entail the use of ethylene oxide. We cannot assure that we would be able to identify such alternatives.

In the event we were to experience any further disruptions in our ability to sterilize our products, whether due to capacity constraints or regulatory or other impediments (including, among other things, regulatory initiatives directed generally to sterilization facilities that utilize ethylene oxide), or we are unable to transition to alternative facilities in a timely or cost effective manner, we could experience a material adverse impact with respect to our results of operations and financial condition.

A significant portion of our U.S. revenues is derived from sales to distributors, and "destocking" activity by these distributors can adversely affect our revenues and results of operations.

A significant portion of our revenues in the U.S. is derived from sales to distributors, which, in turn, sell our products to hospitals and other health care institutions. From time to time, these distributors may decide to reduce their levels of inventory with regard to certain of our products, a practice we refer to as "destocking." A distributor's decision to reduce inventory levels with respect to our products may be based on a number of factors, such as distributor expectations regarding demand for a particular product, distributor buying decisions (including decisions to purchase competing products), changes in distributor policies regarding the maintenance of inventory levels, economic conditions and other factors. For example, during the third quarter of 2016, we experienced a decline in purchases by our U.S. distributors that adversely affected our revenues and results of operations. We believe the reduction resulted from the distributors' expectations of a less severe 2016-2017 flu season, which resulted in reduced levels of purchasing with respect to certain of our products that are used for treatment of hospitalized patients suffering from the flu. Following such instances of reduced purchases, distributors may revert to previous purchasing levels; nevertheless, we cannot assure that distributors will, in fact, increase purchases of our products in this manner. A decline in the level of product purchases by our U.S. distributors in the future could have a material adverse effect on our revenues and results of operations during a reporting period, and an extended decline in such product purchases could have a longer term material adverse effect.

We may incur material losses and costs as a result of product liability and warranty claims, as well as product recalls, any of which may adversely affect our results of operations and financial condition. Furthermore, our reputation as a medical device company may be damaged if one or more of our products are, or are alleged to be, defective.

Our businesses expose us to potential product liability risks related to the design, manufacture and marketing of our products. In particular, our medical device products are often used in surgical and intensive care settings for procedures involving seriously ill patients. In addition, many of our products are designed to be implanted in the human body for varying periods of time. Product defects or inadequate disclosure of product-related risks with respect to products we manufacture or sell could result in patient injury or death. Product liability and warranty claims often involve very large or indeterminate amounts, including punitive damages. The magnitude of potential losses from product liability lawsuits may remain unknown for substantial periods of time, and the related legal defense costs may be significant. We could experience material warranty or product liability losses in the future and incur significant costs to defend these claims.

In addition, if any of our products are, or are alleged to be, defective, we may voluntarily conduct, or be required by regulatory authorities to conduct, a recall of that product. In the event of a recall, we may lose sales and be exposed to individual or class-action litigation claims. Moreover, negative publicity regarding a quality or safety issue, whether accurate or inaccurate, could harm our reputation, decrease demand for our products, lead to product withdrawals or impair our ability to successfully launch and market our products in the future. Product liability, warranty and recall costs may have a material adverse effect on our business, financial condition, results of operations and cash flows.

Volatility in domestic and global financial markets could adversely impact our results of operations, financial condition and liquidity.

We are subject to risks arising from adverse changes in general domestic and global economic conditions. The economic slowdown and disruption of credit markets that occurred several years ago led to recessionary conditions and depressed levels of consumer and commercial spending, resulting in reductions, delays or cancellations of

purchases of our products and services. We cannot predict the duration or extent of any economic recovery or the extent to which our customers will return to more typical spending behaviors. The continuation in a number of markets of weak economic growth, constricted credit, public sector austerity measures in response to public budget deficits and foreign currency volatility, particularly with respect to the euro, could have a material adverse effect on our results of operations, financial condition and liquidity.

Although we maintain allowances for doubtful accounts to cover the estimated losses which may occur when customers cannot make their required payments, we cannot assure that the loss rate will not increase in the future given the volatility in the worldwide economy. If our allowance for doubtful accounts is insufficient to address receivables we ultimately determine are uncollectible, we would be required to incur additional charges, which could materially adversely affect our results of operations. Moreover, our inability to collect outstanding receivables could adversely affect our financial condition and cash flow from operations.

In addition, adverse economic and financial market conditions may result in future impairment charges with respect to our goodwill and other intangible assets, which would not directly affect our liquidity but could have a material adverse effect on our reported financial results.

Our strategic initiatives, including acquisitions, may not produce the intended growth in revenue and operating income, which could have a material adverse effect on our operating results.

Our strategic initiatives include making significant investments designed to achieve revenue growth and to enable us to meet or exceed margin improvement targets. If we do not achieve the expected benefits from these investments or otherwise fail to execute on our strategic initiatives, we may not achieve the growth improvement we are targeting and our results of operations may be adversely affected.

In addition, as part of our strategy for growth, we have made, and may continue to make, acquisitions and divestitures and enter into strategic alliances such as joint ventures and joint development agreements. However, we may not be able to identify suitable acquisition candidates, complete acquisitions or integrate acquisitions successfully, and our joint ventures or strategic alliances may not prove to be successful. In this regard, acquisitions involve numerous risks, including difficulties in the integration of acquired operations, technologies, services and products and the diversion of management's attention from other business concerns. Moreover, the products and technologies that we acquire may not be successful or may require us to devote significantly greater development, marketing and other resources, as well as significantly greater investments, than we anticipated. We could also experience negative effects on our results of operations and financial condition from acquisition-related charges, amortization of intangible assets, asset impairment charges and other matters that could arise in connection with the acquisition of a company or business, including matters related to internal control over financial reporting and regulatory compliance, as well as the short-term effects of increased costs on results of operations. Although our management will endeavor to evaluate the risks inherent in any particular transaction, there can be no assurance that we will identify all such risks or the magnitude of the risks. In addition, prior acquisitions have resulted, and future acquisitions could result, in the incurrence of substantial additional indebtedness and expenditures. Future acquisitions may also result in potentially dilutive issuances of equity securities. There can be no assurance that difficulties encountered in connection with acquisitions will not have a material adverse effect on our business, financial condition and results of operations.

In connection with certain of our completed acquisitions, we have agreed to pay consideration that is contingent upon the achievement of specified objectives, such as receipt of regulatory approval, commercialization of a product or achievement of sales targets. As of the acquisition date, we record a contingent liability representing the estimated fair value of the contingent consideration we expect to pay. On a quarterly basis, we reassess these obligations and, in the event our estimate of the fair value of the contingent consideration changes, we record increases or decreases in the fair value as an adjustment to operating earnings, which could have a material impact on our results of operations. As of December 31, 2020, we accrued $36.6 million of contingent consideration, most of which related to our acquisition of Essential Medical. In addition, actual payments may differ materially from the amount of the contingent liability , which could have a material impact on our results of operations, cash flows and liquidity. For information regarding assumptions related to our contingent consideration liabilities, see "Critical Accounting Policies and Estimates" under Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations included in this Annual Report on Form 10-K. For additional information regarding our acquisitions, see Note 4 to the consolidated financial statements included in this Annual Report on Form 10-K.

Health care reform may have a material adverse effect on our industry and our business.

Political, economic and regulatory developments have effected fundamental changes in the healthcare industry. The Affordable Care Act substantially changed the way health care is financed by both government and private insurers. It also encourages improvements in the quality of health care products and services and significantly impacts the U.S. pharmaceutical and medical device industries. Among other things, the Affordable Care Act:

- established a new Patient-Centered Outcomes Research Institute to oversee, identify priorities in and conduct comparative clinical effectiveness research;
- implemented payment system reforms, including a national pilot program to encourage hospitals, physicians and other providers to improve the coordination, quality and efficiency of certain health care services through bundled payment models; and
- created an independent payment advisory board that will submit recommendations to reduce Medicare spending if projected Medicare spending exceeds a specified growth rate.

We cannot predict at this time the full impact of the Affordable Care Act or other healthcare reform measures that may be adopted in the future on our financial condition, results of operations and cash flows. In this regard, several legislative initiatives to repeal and replace the Affordable Care Act were proposed, but not adopted in 2017. However, U.S. tax legislation adopted in December 2017 and commonly referred to as the Tax Cuts and Jobs Act ("TCJA") eliminated the individual mandate under the Affordable Care Act, which has resulted in increased uncertainty regarding insurance premium prices for participants in insurance exchanges under the act, and may have other effects. Moreover, on December 14, 2018, the U.S. District Court for the Northern District of Texas ruled that the individual mandate provision of the Affordable Care Act is unconstitutional and the remainder of the act is invalid, although the Court stayed its ruling pending appeal. The nature and effect of any modification or repeal of, or legislative substitution for, the Affordable Care Act, or any court decision regarding the act's validity, is uncertain, and we cannot predict the effect that any of these events would have on the longer-term viability of the act, or on our financial condition, results of operations or cash flows.

We are subject to risks associated with our non-U.S. operations.

We have significant manufacturing and distribution facilities, research and development facilities, sales personnel and customer support operations in a number of countries outside the U.S., including Belgium, the Czech Republic, Germany, Ireland, Malaysia and Mexico. In addition, a significant portion of our non-U.S. revenues are derived from sales to third party distributors. As of December 31, 2020, approximately 70% of our full-time employees were employed in countries outside of the U.S., and approximately 50% of our net property, plant and equipment was located outside the U.S. In addition, for the years ended December 31, 2020, 2019 and 2018, 38%, 38% and 41%, respectively, of our net revenues (based on the Teleflex entity generating the sale) were derived from operations outside the U.S.

Our international operations are subject to risks inherent in doing business outside the U.S., including:

- exchange controls, currency restrictions and fluctuations in currency values;
- trade protection measures, tariffs and other duties, especially in light of trade disputes between the U.S. and several foreign countries, including China;
- potentially costly and burdensome import or export requirements;
- laws and business practices that favor local companies;
- changes in foreign medical reimbursement policies and procedures;
- subsidies or increased access to capital for firms that currently are or may emerge as competitors in countries in which we have operations;
- substantial non-U.S. tax liabilities, including potentially negative consequences resulting from changes in tax laws;
- restrictions and taxes related to the repatriation of non-U.S. earnings;
- differing labor regulations;
- additional U.S. and foreign government controls or regulations;
- the impact of the United Kingdom's departure from the European Union, commonly referred to as "Brexit";
- public health epidemics;
- difficulties in the protection of intellectual property; and

- unsettled political and economic conditions and possible terrorist attacks against American interests.

In addition, the U.S. Foreign Corrupt Practices Act (the “FCPA”) prohibits companies and their intermediaries from making improper payments to non-U.S. officials for the purpose of obtaining or retaining business. Similar anti-bribery laws are in effect in several foreign jurisdictions. The FCPA also imposes accounting standards and requirements on publicly traded U.S. corporations and their foreign affiliates, which, among other things, are intended to prevent the diversion of corporate funds to the payment of bribes and other improper payments to government officials, and to prevent the establishment of “off the books” slush funds from which such improper payments can be made. Because of the predominance of government-sponsored health care systems around the world, many of our customer relationships outside of the U.S. are with government entities and are therefore subject to such anti-bribery laws. Our policies mandate compliance with these anti-bribery laws. However, we operate in many parts of the world that have experienced government corruption to some degree. Despite meaningful measures that we undertake to facilitate lawful conduct, which include training and compliance programs and internal control policies and procedures, we may not always prevent reckless or criminal acts by our employees, distributors or other agents. In addition, we may be exposed to liability due to pre-acquisition conduct of employees, distributors or other agents of businesses or operations we acquire. Violations of anti-bribery laws, or allegations of such violations, could disrupt our operations, involve significant management distraction and have a material adverse effect on our business, financial condition, results of operations and cash flows. We also could be subject to severe penalties and other adverse consequences, including criminal and civil penalties, disgorgement, substantial expenditures related to further enhancements to our procedures, policies and controls, personnel changes and other remedial actions, as well as harm to our reputation.

Furthermore, we are subject to the export controls and economic embargo rules and regulations of the U.S., including the Export Administration Regulations and trade sanctions against embargoed countries, which are administered by the Office of Foreign Assets Control within the Department of the Treasury, as well as other laws and regulations administered by the Department of Commerce. These regulations limit our ability to market, sell, distribute or otherwise transfer our products or technology to prohibited countries or persons. While we train our employees and contractually obligate our distributors to comply with these regulations, we cannot assure that a violation will not occur, whether knowingly or inadvertently. Failure to comply with these rules and regulations may result in substantial civil and criminal penalties, including fines and the disgorgement of profits, the imposition of a court-appointed monitor, the denial of export privileges and debarment from participation in U.S. government contracts, any of which could have a material adverse effect on our international operations or on our business, results of operations, financial condition and cash flows.

Foreign currency exchange rate, commodity price and interest rate fluctuations may adversely affect our results.

We are exposed to a variety of market risks, including the effects of changes in foreign currency exchange rates, commodity prices and interest rates. Products manufactured in, and sold into, foreign markets represent a significant portion of our operations. Our consolidated financial statements reflect translation of financial statements denominated in non-U.S. currencies to U.S. dollars, our reporting currency, as well as the foreign currency exchange gains and losses resulting from the remeasurement of assets and liabilities and from transactions denominated in currencies other than the primary currency of the country in which the entity operates, which we refer to as "non-functional currencies." A strengthening or weakening of the U.S. dollar in relation to the foreign currencies of the countries in which we sell or manufacture our products, such as the euro, will affect our U.S. dollar-reported revenue and income. Although we have entered into forward contracts with several major financial institutions to hedge a portion of our monetary assets and liabilities and projected cash flows denominated in non-functional currencies in order to reduce the effects of currency rate fluctuations, changes in the relative values of currencies may, in some instances, have a significant effect on our results of operations.

Many of our products have significant plastic resin content. We also use quantities of other commodities, such as aluminum and steel. Increases in the prices of these commodities could increase the costs of our products and services. We may not be able to pass on these costs to our customers, particularly with respect to those products we sell under group purchase agreements, which could have a material adverse effect on our results of operations and cash flows.

Increases in interest rates may adversely affect the financial health of our customers and suppliers, thereby adversely affecting their ability to buy our products and supply the components or raw materials we need. In addition, our borrowing costs have been adversely affected by recent interest rate increases, and could be further affected if interest rates continue to increase. Any of these events could have a material adverse effect on our financial condition, results of operations and cash flows.

Fluctuations in our effective tax rate and changes to tax laws may adversely affect us.

As a global company, we are subject to taxation in numerous countries, states and other jurisdictions. Our effective tax rate is derived from a combination of applicable tax rates in the various countries, states and other jurisdictions in which we operate. In preparing our financial statements, we estimate the amount of tax that will become payable in each of these jurisdictions. Our effective tax rate may, however, differ from the estimated amount due to numerous factors, including a change in the mix of our profitability from country to country and changes in tax laws. Any of these factors could cause us to experience an effective tax rate significantly different from previous periods or our current expectations, which could have an adverse effect on our business, financial condition, results of operations and cash flows.

An interruption in our manufacturing or distribution operations or our supply of raw materials may adversely affect our business.

Many of our key products are manufactured at or distributed from single locations, and the availability of alternate facilities is limited. If operations at one or more of our facilities is suspended due to natural disasters or other events, we may not be able to timely manufacture or distribute one or more of our products at previous levels or at all. Furthermore, our ability to establish replacement facilities or to substitute suppliers may be delayed due to regulations and requirements of the FDA and other regulatory authorities regarding the manufacture of our products. In addition, in the event of delays or cancellations in shipments of raw materials by our suppliers, we may not be able to timely manufacture or supply the affected products at previous levels or at all. The manufacture of our products is highly exacting and complex, due in part to strict regulatory requirements. Problems in the manufacturing process, including equipment malfunction, failure to follow specific protocols and procedures, defective raw materials and environmental factors, could lead to delays in product releases, product shortages, unanticipated costs, lost revenues and damage to our reputation. A failure to identify and address manufacturing problems prior to the release of products to our customers may also result in quality or safety issues. A reduction or interruption in manufacturing or distribution, or our inability to secure suitable alternative sources of raw materials or components, could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Our ability to attract, train, develop and retain key employees is important to our success.

Our success depends, in part, on our ability to continue to retain key personnel, including our executive officers and other members of our senior management team. Our success also depends, in part, on our ability to attract, train, develop and retain other key employees, including research and development, sales, marketing and operations personnel. We may experience difficulties in retaining executives and other employees due to many factors, including:

- the intense competition for skilled personnel in our industry;
- fluctuations in global economic and industry conditions;
- changes in our organizational structure;
- our restructuring initiatives;
- competitors' hiring practices; and
- the effectiveness of our compensation programs.

Our inability to attract, train, develop and retain such personnel could have an adverse effect on our business, results of operations, financial condition and cash flows.

Our failure to maintain strong relationships with physicians and other health care professionals could adversely affect us.

We depend on our ability to maintain strong working relationships with physicians and other healthcare professionals in connection with research and development for some of our products. We rely on these professionals to provide us with considerable knowledge and advice regarding the development and use of these products. Physicians assist us as researchers, product consultants, inventors and public speakers. If we fail to maintain our working relationships with physicians and, as a result, no longer have the benefit of their knowledge and advice, our products may not be developed in a manner that is responsive to the needs and expectations of the professionals who use and support our products, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Our technology is important to our success, and our failure to protect our intellectual property rights could put us at a competitive disadvantage.

We rely on the patent, trademark, copyright and trade secret laws of the U.S. and other countries to protect our proprietary rights. Although we own numerous U.S. and foreign patents and have submitted numerous patent applications, we cannot be assured that any pending patent applications will issue, or that any patents, issued or pending, will provide us with any competitive advantage or will not be challenged, invalidated or circumvented by third parties. In addition, we rely on confidentiality and non-disclosure agreements with employees and take other measures to protect our know-how and trade secrets. The steps we have taken may not prevent unauthorized use of our technology by competitors or other persons who may copy or otherwise obtain and use these products or technology, particularly in foreign countries where the laws may not protect our proprietary rights to the same extent as in the U.S. We cannot assure that current and former employees, contractors and other parties will not breach their confidentiality agreements with us, misappropriate proprietary information, copy or otherwise obtain and use our information and proprietary technology without authorization or otherwise infringe on our intellectual property rights. Our inability to protect our proprietary technology could adversely affect our business, financial condition, results of operations and cash flows. Moreover, there can be no assurance that others will not independently develop know-how and trade secrets comparable to ours or develop better technology than our own, which could reduce or eliminate any competitive advantage we have developed.

Our products or processes may infringe the intellectual property rights of others, which may cause us to pay unexpected litigation costs or damages or prevent us from selling our products.

We cannot be certain that our products do not and will not infringe issued patents or other intellectual property rights of third parties. We may be subject to legal proceedings and claims in the ordinary course of our business, including claims of alleged infringement of the intellectual property rights of third parties. Any such claims, whether or not meritorious, could result in litigation and divert the efforts of our personnel. If we are found liable for infringement, we may be compelled to enter into licensing agreements (which may not be available on acceptable terms or at all) or to pay damages or cease making or selling certain products. We may need to redesign some of our products or processes to avoid future infringement liability. Any of the foregoing events could be detrimental to our business.

Other pending and future litigation may involve significant costs and adversely affect our business.

We are party to various lawsuits and claims arising in the normal course of business involving, among other things, contracts, intellectual property, import and export regulations, and employment and environmental matters. The defense of these lawsuits may divert our management's attention, and may involve significant legal expenses. In addition, we may be required to pay damage awards or settlements, or become subject to injunctions or other equitable remedies, that could have a material adverse effect on our financial condition and results of operations. While we do not believe that any litigation in which we are currently engaged would have such an adverse effect, the outcome of litigation, including regulatory matters, is often difficult to predict, and we cannot assure that the outcome of pending or future litigation will not have a material adverse effect on our business, financial condition, results of operations or cash flows.

Disruption of critical information systems or material breaches in the security of our systems may adversely affect our business and customer relationships.

We rely on information technology systems to process, transmit, and store electronic information in our day-to-day operations. We also rely on our technology infrastructure, among other functions, to enable us to interact with customers and suppliers, fulfill orders, generate invoices, collect and make payments, ship products, provide support to customers, fulfill contractual obligations and otherwise perform business functions. Our internal information technology systems, as well as those systems maintained by third-party providers, may be subjected to computer viruses or other malicious codes, unauthorized access attempts, and cyber-attacks, any of which could result in data leaks or otherwise compromise our confidential or proprietary information and disrupt our operations. Cyber-attacks are becoming more sophisticated and frequent, and in some cases have caused significant harm. Although we have taken numerous measures to protect our information systems and enhance data security, we cannot assure that these measures will prevent security breaches that could have a significant impact on our business, reputation and financial results. If we fail to monitor, maintain or protect our information technology systems and data integrity effectively or fail to anticipate, plan for or manage significant disruptions to these systems, we could, among other things, lose customers, have difficulty preventing fraud, have disputes with customers, physicians and other health care professionals, be subject to regulatory sanctions or penalties, incur

expenses, lose revenues or suffer other adverse consequences. Any of these events could have a material adverse effect on our business, results of operations, financial condition or cash flows.

Regulations related to conflict minerals have caused us to incur additional costs and may adversely affect our business.

In 2012, the SEC promulgated rules under the Dodd-Frank Wall Street Reform and Consumer Protection Act regarding disclosure of the use of tin, tantalum, tungsten and gold, known as "conflict minerals," included in components of products either manufactured by public companies or for which public companies have contracted to manufacture. These rules require that we undertake due diligence efforts to determine whether such minerals originated from the Democratic Republic of Congo (the "DRC") or an adjoining country and, if so, whether such minerals helped finance armed conflict in the DRC or an adjoining country. In accordance with applicable regulations, we have filed conflict minerals reports annually, beginning in 2014. As discussed in these reports, we have determined that certain of our products contain the specified minerals, and we have undertaken, and continue to undertake, efforts to identify where such minerals originated. We have incurred, and expect to continue to incur, costs associated with complying with these disclosure requirements, including costs related to determining the sources of the specified minerals used in our products. These rules could adversely affect the sourcing, supply and pricing of materials used in our products. Our customers may require that our products be free of conflict minerals, and our revenues and margins may be adversely affected if we are unable to provide assurances to our customers that our products are "DRC conflict free" (generally, the product does not contain conflict minerals originating in the DRC or an adjoining country that directly or indirectly finance or benefit specified armed groups) due to, among other things, our inability to procure conflict free minerals at a reasonable price, or at all. Moreover, we may be adversely affected if we are unable to pass through any increased costs associated with meeting customer demands that we provide products that are DRC conflict free. We also may face reputational challenges if our due diligence efforts do not enable us to verify the origins of all conflict minerals or to determine that any conflict minerals used in products we manufacture or in products manufactured by others for us are DRC conflict-free.

Our operations expose us to the risk of material environmental and health and safety liabilities.

We are subject to numerous foreign, federal, state and local environmental protection and health and safety laws governing, among other things:

- the generation, storage, use and transportation of hazardous materials;
- emissions or discharges of substances into the environment; and
- the health and safety of our employees.

These laws and regulations are complex, change frequently and have tended to become more stringent over time. We cannot provide assurance that our costs of complying with current or future environmental protection and health and safety laws, or our liabilities arising from past or future releases of, or exposures to, hazardous substances, which may include claims for personal injury or cleanup, will not exceed our estimates or will not adversely affect our financial condition and results of operations.

Our workforce covered by collective bargaining and similar agreements could cause interruptions in our provision of products and services.

As of December 31, 2020, approximately 8% of our employees in the U.S. and in other countries were covered by union contracts or collective bargaining arrangements. It is likely that a portion of our workforce will remain covered by collective bargaining and similar agreements for the foreseeable future. Strikes or work stoppages could occur that would adversely impact our relationships with our customers and our ability to conduct our business.

Risks Relating to our Financing Arrangements

Our substantial indebtedness could adversely affect our business, financial condition or results of operations.

As of December 31, 2020, we had total consolidated indebtedness of $2.5 billion.

Our substantial level of indebtedness increases the risk that we may be unable to generate cash sufficient to satisfy our debt obligations. It could also have significant effects on our business. For example, it could:

- increase our vulnerability to general adverse economic and industry conditions;

- require us to dedicate a substantial portion of our cash flow from operations to payments on our indebtedness, thereby reducing the availability of our cash flow to fund capital expenditures, research and development efforts and other general corporate expenditures;
- limit our ability to borrow additional funds for general corporate purposes;
- limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate;
- restrict us from pursuing business opportunities; and
- place us at a disadvantage compared to competitors that have less indebtedness.

If we do not generate sufficient cash flow from operations or if future borrowings are not available to us in an amount sufficient to pay our indebtedness when due or to fund our other liquidity needs, we may be forced to:

- refinance all or a portion of our indebtedness;
- sell assets;
- reduce or delay capital expenditures; or
- seek to raise additional capital.

We may not be able to effect any of these actions on commercially reasonable terms or at all. Our ability to refinance our indebtedness will depend on our financial condition at the time, the restrictions in the instruments governing our outstanding indebtedness and other factors, including market conditions.

Our inability to generate sufficient cash flow to satisfy our debt service obligations, or to refinance or restructure our obligations on commercially reasonable terms or at all, could have a material adverse effect on our business, financial condition and results of operations.

Our debt agreements impose restrictions on our business, which could prevent us from pursuing business opportunities and taking other desirable corporate actions, and may adversely affect our ability to respond to changes in our business and manage our operations.

Our senior credit agreement and the indentures governing our 4.875% senior notes due 2026 (the "2026 Notes") and our 4.625% senior notes due 2027 (the "2027 Notes" and, together with the 2026 Notes, the "Senior Notes") contain covenants that, among other things, impose significant restrictions on our business. The restrictions that these covenants place on us and our restricted subsidiaries collectively include limitations on our and their ability to, among other things:

- incur additional indebtedness or issue preferred stock or otherwise disqualified stock;
- create liens;
- pay dividends, make investments or make other restricted payments;
- sell assets;
- merge, consolidate, sell or otherwise dispose of all or substantially all of our assets; and
- enter into transactions with our affiliates.

In addition, our senior credit agreement also contains financial covenants, including covenants requiring maintenance of a consolidated leverage ratio, a secured leverage ratio and a consolidated interest coverage ratio, calculated in accordance with the terms of the senior credit agreement. A breach of any covenants under any one or more of our debt agreements could result in a default, which if not cured or waived, could result in the acceleration of all of our debt. In addition, any debt agreements we enter into in the future may further limit our ability to enter into certain types of transactions.

Under our cross-currency swap agreements, a meaningful decline in the U.S. dollar to euro exchange rate could have a material adverse effect on our cash flows.

In 2018 and 2019, we entered into cross-currency swap agreements with several financial institutions to hedge against the effect of variability in the U.S. dollar to euro exchange rate. The swap agreements require an exchange of the notional amounts between us and the counterparties upon expiration or earlier termination of the agreements. If, at the expiration or earlier termination of the swap agreements, the U.S. dollar to euro exchange rate has declined from the rate in effect on the execution date, we are required to pay the counterparties an amount equal to the excess of the U.S. dollar value over the euro principal amount (we and the counterparties have agreed to a net settlement with regard to the exchange of the notional amounts at the date of expiration or earlier termination of the

agreements). In the event of a significant decline in the U.S. dollar to euro exchange rate, our payment obligations to the counterparties could have a material adverse effect on our cash flows. In this regard, if, at the expiration or earlier termination of our swap agreements, the U.S. dollar to euro exchange rate has declined by 10% from the rate in effect at the inception of our agreements, we would be required to pay approximately $75 million to the counterparties in respect of the notional settlement. To the extent we enter into additional cross-currency swap agreements, a decline in the relevant exchange rates could further adversely affect our cash flows.

Risks Relating to Ownership of our Common Stock

We may issue additional shares of our common stock or instruments convertible into our common stock, which could cause the price of our common stock to decline.

We are not restricted from issuing additional shares of our common stock or other instruments convertible into our common stock. As of December 31, 2020, we had outstanding approximately 46.7 million shares of our common stock, options to purchase 1.2 million shares of our common stock (of which approximately 0.9 million were vested as of that date), restricted stock units covering 0.2 million shares of our common stock (which are expected to vest over the next three years), performance stock units covering a maximum of 64,562 shares of our common stock (which may vest in early 2021, depending on our performance with regard to specified financial measures and market performance of our common stock compared to designated public companies) and 1,391 shares of our common stock to be distributed from our deferred compensation plan. As of December 31, 2020, 3.2 million shares of our common stock were reserved for issuance upon the exercise of stock options. We cannot predict the size of future issuances or the effect, if any, that they may have on the market price for our common stock.

If we issue additional shares of our common stock or instruments convertible into our common stock, such issuances may materially and adversely affect the price of our common stock. Furthermore, our issuance of shares upon the exercise of some or all of the outstanding stock options, as well as the vesting of restricted stock units and some or all of the performance stock units will dilute the ownership interests of existing stockholders, and the subsequent sale in the public market of such shares of our common stock could adversely affect prevailing market prices of our common stock.

We may not pay dividends on our common stock in the future.

Holders of our common stock are entitled to receive dividends only as our board of directors may declare out of funds legally available for such payments. The declaration and payment of future dividends to holders of our common stock will be at the discretion of our board of directors and will depend upon many factors, including our financial condition, earnings, requirements under covenants in our debt instruments, legal requirements and other factors as our board of directors deems relevant. We cannot assure that our cash dividend will not be reduced, or eliminated, in the future.

Certain provisions of our corporate governing documents, Delaware law and our senior notes could discourage, delay, or prevent a merger or acquisition.

Provisions of our certificate of incorporation and bylaws could impede a merger, takeover or other business combination involving us or discourage a potential acquirer from making a tender offer for our common stock. For example, our certificate of incorporation authorizes our board of directors to determine the number of shares in a series, the consideration, dividend rights, liquidation preferences, terms of redemption, conversion or exchange rights and voting rights, if any, of unissued series of preferred stock, without any vote or action by our stockholders. Thus, our board of directors can authorize and issue shares of preferred stock with voting or conversion rights that could adversely affect the voting or other rights of holders of our common stock. We are also subject to Section 203 of the Delaware General Corporation Law, which imposes restrictions on mergers and other business combinations between us and any holder of 15% or more of our common stock. These provisions could have the effect of delaying or deterring a third party from acquiring us even if an acquisition might be in the best interest of our stockholders, and accordingly could reduce the market price of our common stock.

Certain provisions in the indentures governing the Senior Notes could make it more difficult or more expensive for a third party to acquire us. If an acquisition event constitutes a “change of control,” as defined in the indentures governing the Senior Notes, holders of such notes will have the right to require us to purchase their notes in cash (in the case of the 2027 Notes, the right will apply only if the change in control is coupled with a ratings downgrade). Our obligations under the Senior Notes could increase the cost of acquiring us or otherwise discourage a third party from acquiring us or removing incumbent management, and accordingly could cause a reduction in the market price of our common stock.

ITEM 1B. *UNRESOLVED STAFF COMMENTS*

Not applicable.

ITEM 2. *PROPERTIES*

We own or lease approximately 90 properties consisting of plants, engineering and research centers, distribution warehouses, offices and other facilities. We believe that the properties are maintained in good operating condition and are suitable for their intended use. In general, our facilities meet current operating requirements for the activities currently conducted within the facilities.

Our major facilities (those with 50,000 or greater square feet) at December 31, 2020 are as follows:

Location	Square Footage	Owned or Leased
Olive Branch, MS	627,000	Leased
Kamunting, Malaysia	286,000	Owned
Nuevo Laredo, Mexico	277,000	Leased
Asheboro, NC	204,000	Owned
Tecate, Mexico	172,000	Owned
Morrisville, NC	162,000	Leased
Chihuahua, Mexico	153,000	Owned
Maple Grove, MN	129,000	Owned
Zdar Nad Sazauou, Czech Republic	108,000	Owned
Trenton, GA	102,000	Owned
Chihuahua, Mexico	100,000	Leased
Hradec Kralove, Czech Republic	92,000	Owned
Chelmsford, MA	91,000	Leased
Kulim, Malaysia	90,000	Owned
Kernen, Germany	86,000	Leased
Arlington Heights, IL	86,000	Leased
Wayne, PA	84,000	Leased
Jaffrey, NH	81,000	Owned
Kamunting, Malaysia	77,000	Leased
Pleasanton, CA	76,000	Leased
Chihuahua, Mexico	63,000	Owned
Reading, PA	63,000	Leased
Limerick, Ireland	59,000	Owned
Mansfield, MA	57,000	Leased
Plymouth, MA	55,000	Leased
Bad Liebenzell, Germany	53,000	Leased

Operations in each of our business segments are conducted at locations both in and outside of the U.S. Of the facilities listed above, with the exception of Jaffrey, NH, Mansfield, MA, Trenton, GA, and Limerick, Ireland, which are used solely for the OEM segment, our facilities generally serve more than one business segment and are often used for multiple purposes, such as administrative/sales, manufacturing and warehousing/distribution.

In addition to the properties listed above, we own or lease approximately 700,000 square feet of additional warehousing, manufacturing and office space worldwide.

ITEM 3. *LEGAL PROCEEDINGS*

We are party to various lawsuits and claims arising in the normal course of business. These lawsuits and claims include actions involving product liability and product warranty, intellectual property, contracts, employment and environmental matters. As of December 31, 2020 and 2019, we accrued liabilities of $0.3 million and $0.4 million respectively, in connection with these matters, representing our best estimate of the cost within the range of

estimated possible loss that will be incurred to resolve these matters. Based on information currently available, advice of counsel, established reserves and other resources, we do not believe that any such actions are likely to be, individually or in the aggregate, material to our business, financial condition, results of operations or cash flows. However, in the event of unexpected further developments, it is possible that the ultimate resolution of these matters, or other similar matters, if unfavorable, may be materially adverse to our business, financial condition, results of operations or cash flows. See Note 17 to the consolidated financial statements included in this Annual Report on Form 10-K for additional information.

ITEM 4. ***MINE SAFETY DISCLOSURES***

Not applicable.

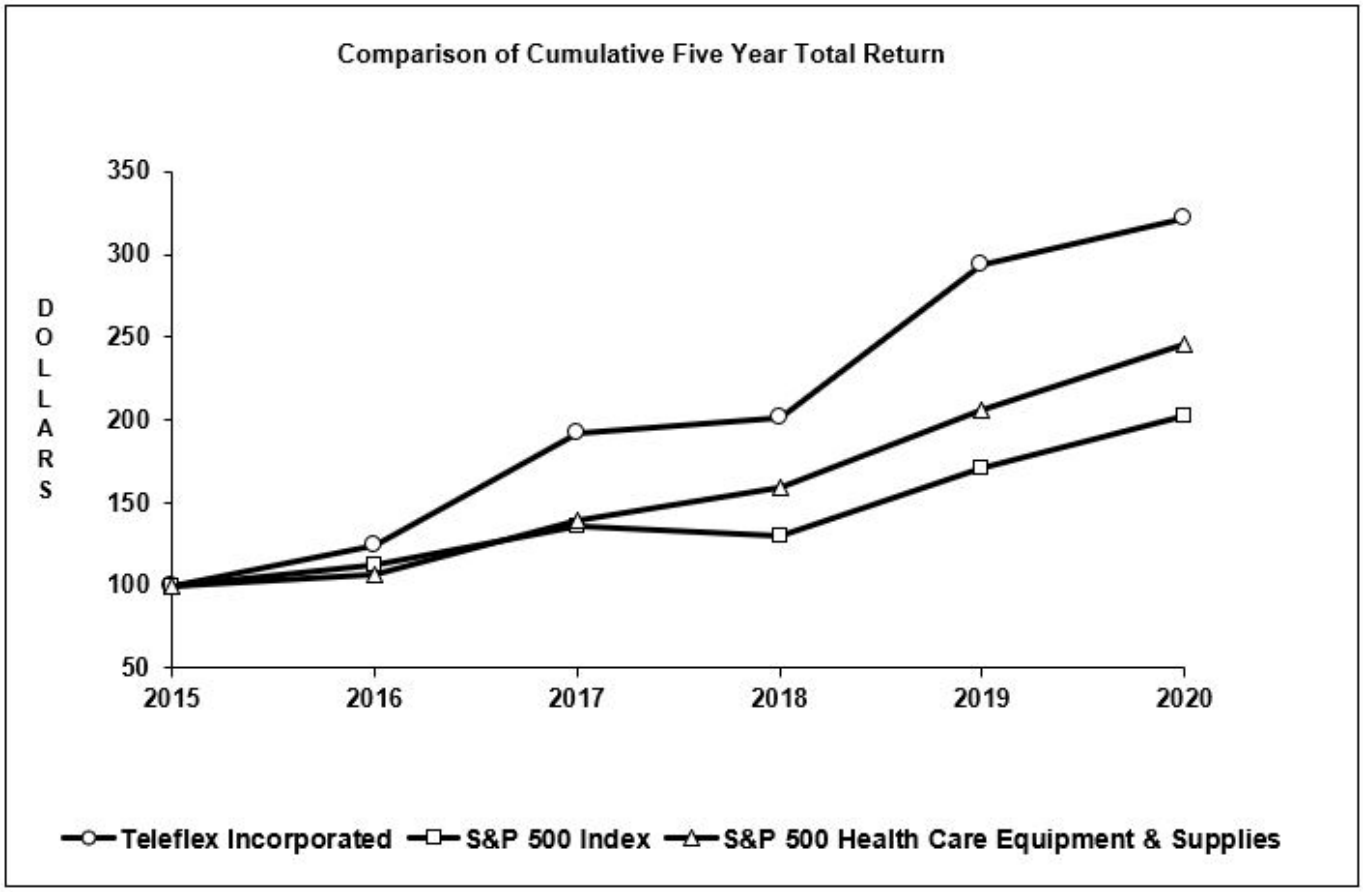
PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Our common stock is listed on the New York Stock Exchange under the symbol "TFX." As of February 23, 2021, we had 413 holders of record of our common stock. A substantially greater number of holders of our common stock are beneficial owners whose shares are held by brokers and other financial institutions for the accounts of beneficial owners.

Stock Performance Graph

The following graph provides a comparison of five year cumulative total stockholder returns of Teleflex common stock, the Standard & Poor's (S&P) 500 Stock Index and the S&P 500 Healthcare Equipment & Supply Index. The annual changes for the five-year period shown on the graph are based on the assumption that $100 had been invested in Teleflex common stock and each index on December 31, 2015 and that all dividends were reinvested.



MARKET PERFORMANCE

Company / Index	2015	2016	2017	2018	2019	2020
Teleflex Incorporated	100	124	192	201	294	322
S&P 500 Index	100	112	136	130	171	203
S&P 500 Healthcare Equipment & Supply Index	100	106	139	159	206	245

ITEM 6. *SELECTED FINANCIAL DATA*

	2020[1]	2019[1]	2018[1]	2017[1]	2016[1]
	(Dollars in thousands, except per share)				
Statement of Income Data:					
Net revenues	$ 2,537,156	$ 2,595,362	$ 2,448,383	$ 2,146,303	$ 1,868,027
Income from continuing operations before interest, loss on extinguishment of debt and taxes	$ 423,068	$ 427,254	$ 321,704	$ 372,279	$ 319,453
Income from continuing operations	$ 335,801	$ 461,981	$ 196,432	$ 155,263	$ 237,651
Amounts attributable to common shareholders for income from continuing operations	$ 335,801	$ 461,981	$ 196,432	$ 155,263	$ 237,187
Per Share Data:					
Income from continuing operations — basic	$ 7.22	$ 10.00	$ 4.30	$ 3.45	$ 5.47
Income from continuing operations — diluted	$ 7.10	$ 9.81	$ 4.20	$ 3.33	$ 4.98
Cash dividends	$ 1.36	$ 1.36	$ 1.36	$ 1.36	$ 1.36
Balance Sheet Data:					
Total assets	$ 7,152,559	$ 6,309,820	$ 6,277,991	$ 6,181,492	$ 3,891,213
Long-term borrowings	$ 2,377,888	$ 1,858,943	$ 2,072,200	$ 2,162,927	$ 850,252
Shareholders' equity	$ 3,336,457	$ 2,979,320	$ 2,539,978	$ 2,430,531	$ 2,137,517
Statement of Cash Flows Data:					
Net cash provided by operating activities from continuing operations	$ 437,143	$ 437,068	$ 435,086	$ 426,301	$ 410,590
Net cash used in investing activities from continuing operations	$ (837,783)	$ (73,481)	$ (196,394)	$ (1,832,855)	$ (56,974)
Net cash provided by (used in) financing activities from continuing operations	$ 455,163	$ (418,836)	$ (206,433)	$ 1,141,259	$ (118,692)

Certain financial information is presented on a rounded basis, which may cause minor differences.

(1) Amounts include the impact of businesses acquired and disposed of during the period, commencing on the respective acquisition or disposition dates. See Note 4 to the consolidated financial statements included in this Annual Report on Form 10-K for additional information related to the acquisitions and dispositions for the years ended December 31, 2020, 2019 and 2018.

ITEM 7. *MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS*

Overview

We are a global provider of medical technology products focused on enhancing clinical benefits, improving patient and provider safety and reducing total procedural costs. We primarily design, develop, manufacture and supply medical devices used by hospitals and healthcare providers for common diagnostic and therapeutic procedures in critical care and surgical applications. Approximately 95% of our net revenues come from single-use medical devices. We market and sell our products worldwide through a combination of our direct sales force and distributors. Because our products are used in numerous markets and for a variety of procedures, we are not dependent upon any one end-market or procedure. We are focused on achieving consistent, sustainable and profitable growth by increasing our market share and improving our operating efficiencies.

We evaluate our portfolio of products and businesses on an ongoing basis to ensure alignment with our overall objectives. Based on our evaluation, we may identify opportunities to expand our margins through strategic divestitures of existing businesses and product lines that do not meet our objectives. In addition, we may seek to optimize utilization of our facilities through restructuring initiatives designed to further reduce our cost base and enhance our competitive position. Finally, we may continue to explore opportunities to expand the size of our business and improve our margins through a combination of acquisitions and distributor to direct sales conversions, which generally involve our elimination of a distributor from the sales channel, either by acquiring the distributor or terminating the distributor relationship (in some instances, particularly in Asia, the conversions involve our acquisition or termination of a master distributor and the continued sale of our products through sub-distributors). Our distributor to direct sales conversions are designed to facilitate improved product pricing and more direct access to the end users of our products within the sales channel.

On February 18, 2020, we acquired IWG High Performance Conductors, Inc. (HPC), a privately-held original equipment manufacturer of minimally invasive medical products and high performance conductors, for an initial cash purchase price of $260.0 million. The acquisition, which complements our OEM product portfolio, was financed using borrowings under our revolving credit facility.

On December 28, 2020, we acquired Z-Medica, LLC ("Z-Medica"), a privately held medical device company that manufactures and sells hemostatic (hemorrhage control) products, marketed under the QuikClot, Combat Gauze and QuickClot Control+ brand names. The acquisition included an initial cash purchase price of $500.0 million with the potential to make an additional payment of up to $25 million upon the achievement of certain commercial milestones. The Z-Medica acquisition, which complements our anesthesia product portfolio, was financed using borrowings under our revolving credit facility.

COVID-19 pandemic and related economic factors

We continue to experience the effects of the global pandemic caused by the COVID-19 novel strain of coronavirus. Among other things, the response to the COVID-19 pandemic has had the effect of reducing the number of elective procedures being carried out, which has impacted and continues to impact some of our product categories, including our interventional urology, surgical, interventional, anesthesia and OEM products, which have experienced and continue to experience decreased demand. We have also experienced and continue to experience increased demand for products used in the treatment of patients with COVID-19, which are mostly concentrated in our respiratory and vascular access product categories. For the year ended December 31, 2020, each of our segments were negatively impacted by the COVID-19 pandemic due to the reduction in elective procedures and, to a lesser extent, as a result of government-mandated and self-imposed shut-downs in several countries, which were implemented to protect individuals and control the spread of COVID-19. The COVID-19 pandemic is impacting other elements of our operations, as well as our employees, contractors, suppliers, customers, freight transport providers and other business partners. To date, we have not experienced significant disruptions in the global supply chain for our products that are in high demand, but, in some cases, delivery times have lengthened, resulting in backorders for some of our products.

In addition, there have been and continues to be impacts on our cost structure resulting from measures that we and other businesses are taking or will take, in accordance with governmental requirements and otherwise, to protect our employees and business partners. We continue to assess the impact on our business (including our employees, customers and suppliers) of travel restrictions, border closures and quarantines as they affect our various sites, including our 35 global manufacturing sites. In most jurisdictions, our manufacturing and distribution sites remain open because we are considered an essential business. However, we have experienced temporary or partial work stoppages in some manufacturing sites in North America and Asia. During the year ended December 31, 2020, we experienced, and we continue to experience, inefficiencies in our manufacturing operations due to government-mandated and self-imposed restrictions placed on and safety measures implemented at our facilities globally. From an operating expense perspective, we have experienced and continue to experience net decreases in selling, general and administrative expenses as a result of the COVID-19 pandemic due to cost mitigation efforts implemented to control discretionary spending including selling, marketing and travel and entertainment related costs and lower performance related employee-benefit costs.

We have yet to return to the revenue growth levels that we achieved prior to the onset of the pandemic. In addition, the degree of improvement has varied by product category and by region. It is uncertain whether this trend will continue or if we will again experience a decrease in the number of elective procedures performed as the COVID-19 pandemic evolves, particularly if the virus becomes more prevalent as we progress through the winter season in the Northern Hemisphere or if new strains of the virus continue to emerge. Overall, we believe that the COVID-19 pandemic will continue to negatively affect our revenues and operations, at least over the near-term. Because of the dynamic nature of the crisis, such as recent regional COVID-19 outbreaks that are impacting the recovery, we cannot accurately predict the extent or duration of the impacts of the pandemic.

The COVID-19 pandemic has also had an adverse impact on macroeconomic conditions across the countries and regions in which we operate. As a result, various forms of policy interventions from local governments have been enacted to attempt to initiate an economic recovery. While there generally has been some improvement in economic conditions in the later part of 2020, the degree of improvement has been uneven among our regional markets, and the uncertain economic trends after the COVID-19 pandemic, constricted credit, public sector austerity measures in response to public budget deficits could have a material adverse effect on our results of operations and our liquidity.

In addition to the impacts of the COVID-19 pandemic, we continue to monitor trade and tariff activity, inflation, and exchange rate volatility that could impact our financial position, results of operations or liquidity. In regards to tariff activity, we have been subject to an ongoing investigation by the Chinese authorities related to a technical error regarding our country of origin designation for certain products we imported into China. The error would have resulted in increased tariff payments in late 2018 through 2020. We have accrued the estimated increase in tariffs as well as related interest expense for the periods in question. In addition to the tariffs and related interest, the Chinese authorities may impose a penalty for the unpaid tariffs. We believe the range of penalties is between 30% and 200% of the related unpaid tariff or between $3.0 million and $20.3 million. We do not have a best estimate of the penalties that may be assessed at this time. Accordingly, as prescribed by GAAP, we have recorded $3.0 million as low end of the range described above.

Government investigation

In June 2020, we began producing documents and information in response to a Civil Investigative Demand (a "CID") received in March 2020 by one of our subsidiaries, NeoTract, from the U.S. Department of Justice through the United States Attorney's Office for the Northern District of Georgia (collectively, the "DOJ"). The CID relates to the DOJ's investigation of a single NeoTract customer, requires the production of documents and information pertaining to communications with, and certain rebate programs offered to, that customer and pertains to communications and activities occurring both prior to our acquisition of NeoTract in October 2017 and thereafter. In July 2020, the DOJ advised us that it had opened an investigation under the civil False Claims Act, 31 U.S.C. §3729, with respect to NeoTract's operations broadly in addition to the customer investigation.

We maintain policies and procedures to promote compliance with the Anti-Kickback Statute, False Claims Acts and other applicable laws and regulations and intend to provide information sought by the government. We cannot at this time reasonably predict, however, the ultimate scope or outcome of this matter, including whether an investigation may raise other compliance issues of interest, including those beyond the scope described above or how any such issues might be resolved. We also cannot at this time reasonably estimate any potential liabilities or penalty, if any, that may arise from this matter, which could have a material adverse effect on our results of operations and financial condition.

Results of Operations

As used in this discussion, "new products" are products for which commercial sales have commenced within the past 36 months, and "existing products" are products for which commercial sales commenced more than 36 months ago. Discussion of results of operations items that reference the effect of one or more acquired businesses (except as noted below with respect to acquired distributors) generally reflects the impact of the acquisitions within the first 12 months following the date of the acquisition. In addition to increases and decreases in the per unit selling prices of our products to our customers, our discussion of the impact of product price increases and decreases also reflects the impact on the pricing of our products resulting from any elimination of distributors, either through acquisition or termination of the distributor, from the sales channel. All dollar amounts in tables are presented in millions unless otherwise noted.

For the year ended December 31, 2020, intangible asset amortization expense of $84.4 million is included within costs of good sold. For the year ended December 31, 2019 and December 31, 2018, we reclassified intangible asset amortization expense of $82.6 million and $81.6 million, respectively, from selling, general and administrative expenses to cost of goods sold for comparability. Certain financial information is presented on a rounded basis, which may cause minor differences.

For a discussion of our results of operations comparison for 2019 and 2018, refer to our Annual Report on Form 10-K for the fiscal year ended December 31, 2019 filed on February 21, 2020.

Comparison of 2020 and 2019

Revenues

	2020	2019	2018
Net Revenues	$ 2,537.2	$ 2,595.4	$ 2,448.4

Net revenues for the year ended December 31, 2020 decreased by $58.2 million,or 2.2%,compared to the prior year, which was primarily attributable to a $108.2 million net decrease in sales volumes of existing products, largely caused by the COVID-19 pandemic, partially offset by net revenues of $27.1 million generated by the HPC acquisition and to a lesser extent an increase in sales of new products.

Gross profit

	2020	2019	2018
Gross profit	$ 1,324.9	$ 1,409.0	$ 1,302.8
Percentage of revenues	52.2 %	54.3 %	53.2 %

For the year ended December 31, 2020, gross margin decreased 210 basis points, or 3.9%, compared to the prior year period primarily due to lower sales volumes and higher manufacturing costs, both caused largely by the COVID-19 pandemic, and unfavorable fluctuations in foreign currency exchange rates.

Selling, general and administrative

	2020	2019	2018
Selling, general and administrative	$ 743.6	$ 851.8	$ 797.1
Percentage of revenues	29.3 %	32.8 %	32.6 %

Selling, general and administrative expenses decreased $108.2 million for the year ended December 31, 2020, compared to the prior year. The decrease was primarily attributable to a $92.1 million benefit from reductions in the estimated fair value of our contingent consideration liabilities, which largely related to revenue-based milestone payments, due to adverse financial projections resulting from the COVID-19 pandemic. The decrease was also attributable to lower selling and marketing expenses and performance related employee-benefit costs resulting from the impacts of the COVID-19 pandemic.

Research and development

	2020	2019	2018
Research and development	$ 119.7	$ 113.9	$ 106.2
Percentage of revenues	4.7 %	4.4 %	4.3 %

Research and development expenses increased $5.8 million for the year ended December 31, 2020, compared to the prior year, which was primarily attributable to European Union Medical Device Regulation ("EU MDR") related costs, partially offset by lower project spend within certain of our product portfolios.

Restructuring and impairment charges

2020 Workforce reduction plan

During the second quarter of 2020, we committed to a workforce reduction (the "2020 Workforce reduction plan") designed to improve profitability and reduce cost primarily by streamlining certain sales and marketing functions in our EMEA segment and certain manufacturing operations in our OEM segment. The workforce reduction was initiated to further align the business with our high growth strategic objectives. The plan was substantially completed by the end of 2020 and we expect future restructuring charges associated with the program, if any, to be nominal. We will achieve annual pre-tax savings of $12 million as a result of this program.

Anticipated charges and pre-tax savings related to restructuring programs and other similar cost savings initiatives

We have ongoing restructuring programs primarily related to the consolidation of our manufacturing operations (referred to as our 2019, 2018 and 2014 Footprint realignment plans). We also have similar ongoing activities to relocate certain manufacturing operations within our OEM segment (the "OEM initiative") that do not meet the criteria for a restructuring program under applicable accounting guidance; nevertheless, the activities should result in cost savings (we expect only minimal costs to be incurred in connection with the OEM initiative). With respect to our currently ongoing restructuring programs and the OEM initiative, the table below summarizes charges incurred or estimated to be incurred and estimated annual pre-tax savings to be realized as follows: (1) with respect to charges (a) the estimated total charges that will have been incurred once the restructuring programs and OEM initiative are completed; (b) the charges incurred through December 31, 2020; and (c) the estimated charges to be incurred from January 1, 2021 through the last anticipated completion date of the restructuring programs and OEM initiative, and (2) with respect to estimated annual pre-tax savings (a) the estimated total annual pre-tax savings to be realized once the restructuring programs and OEM initiative are completed; (b) the estimated annual pre-tax savings realized based on the progress of the restructuring programs and OEM initiative through December 31, 2020; and (c) the estimated additional annual pre-tax savings to be realized from January 1, 2021 through the last anticipated completion date of the restructuring programs and the OEM initiative.

Estimated charges and pre-tax savings are subject to change based on, among other things, the nature and timing of restructuring activities and similar activities, changes in the scope of restructuring programs and the OEM initiative, unanticipated expenditures and other developments, the effect of additional acquisitions or dispositions and other factors that were not reflected in the assumptions made by management in previously estimating restructuring and restructuring related charges and estimated pre-tax savings. Moreover, estimated pre-tax savings constituting efficiencies with respect to increased costs that otherwise would have resulted from business acquisitions involve, among other things, assumptions regarding the cost structure and integration of businesses that previously were not administered by our management, which are subject to a particularly high degree of risk and uncertainty. It is likely that estimates of charges and pre-tax savings will change from time to time, and the table below may reflect changes from amounts previously estimated. In addition, the table below reflects the estimated charges and pre-tax savings related to our ongoing programs in addition to our 2020 workforce reduction plan. Additional details, including estimated charges expected to be incurred in connection with our restructuring programs and the anticipated completion dates, are described in Note 5 to the consolidated financial statements included in this Annual Report on Form 10-K.

Pre-tax savings may be realized during, and subsequent to, the completion of the restructuring programs. Pre-tax savings can also be affected by increases or decreases in sales volumes generated by the businesses impacted by the consolidation of manufacturing operations; such variations in revenues can increase or decrease pre-tax savings generated by the consolidation of manufacturing operations. For example, an increase in sales volumes generated by the impacted businesses, although likely to increase manufacturing costs, may generate additional savings with respect to costs that otherwise would have been incurred if the manufacturing operations were not consolidated.

	Restructuring programs and other similar cost saving initiatives		
	Estimated Total	Actual results through December 31, 2020	Estimated Remaining
Restructuring charges	$95 - $109	$89	$6 - $20
Restructuring charges- 2020 Workforce reduction plan	9	9	—
Restructuring related charges (1)	116 - 142	74	42 - 68
Total charges	$220 - $260	$172	$48 - $88
OEM initiative annual pre-tax savings (2)	$6 - $7	$2	$4 - $5
Pre-tax savings- 2020 Workforce reduction plan (3)	12	3	9
Pre-tax savings- ongoing restructuring plans (4)	68 - 78	32	36 - 46
Total annual pre-tax savings	$86 - $97	$37	$49 - $60

(1) Represents charges that are directly related to restructuring programs and principally constitute costs to transfer manufacturing operations to existing lower-cost locations, project management costs and accelerated depreciation, as well as a charge that is expected to be imposed by a taxing authority as a result of our exit from facilities in the authority's jurisdiction. Most of these charges (other than the tax charge) are expected to be recognized as cost of goods sold.

(2) We expect the OEM initiative will be completed by the end of 2027.

(3) Most of the pre-tax savings are expected to result in reductions to selling, general and administrative expenses.

(4) Substantially all of the pre-tax savings are expected to result in reductions to cost of goods sold.

The following discussion provides additional details with respect to our ongoing significant restructuring programs:

2019 Footprint realignment plan

In February 2019, we initiated a restructuring plan primarily involving the relocation of certain manufacturing operations to existing lower-cost locations and related workforce reductions (the “2019 Footprint realignment plan"). These actions are expected to be substantially completed by the end of 2022.

In 2020, we refined the estimated ranges for the restructuring and restructuring related charges in consideration of the progress made to date as well as the actions remaining. The refinements resulted in a decrease to the high end of our estimated ranges compared to our prior estimates and we now estimate that we will incur charges totaling $56 million to $63 million under the plan, of which we estimate that $50 million to $57 million of these charges will result in future cash outlays. We also expect a decrease in the total capital expenditures compared to

prior estimates and we now expect to incur $28 million to $33 million in total capital expenditures under the plan, most of which we expect to be incurred by the end of 2021.

In 2020, we identified additional cost reduction measures and accelerated certain components of the plan that led to an increase in our estimated annual plan related savings as well as the recognition of savings related to the plan during the year. We now expect to achieve annual pre-tax savings of $15 million to $17 million once the plan is fully implemented.

2018 Footprint realignment plan

In May 2018, we initiated a restructuring plan involving the relocation of certain European manufacturing operations to existing lower-cost locations, the outsourcing of certain European distribution operations and related workforce reductions. During the second quarter 2020 we took advantage of an opportunity to accelerate certain components of this plan and we now expect to be substantially completed by the end of 2022.

We estimate that we will incur total charges in connection with the 2018 Footprint realignment plan of $103 million to $133 million, of which, we estimate that $99 million to $127 million of these charges will result in future cash outlays. Additionally, we expect to incur $19 million to $23 million in total capital expenditures under the plan.

We began realizing plan-related savings in 2018 and expect to achieve annual pre-tax savings of $25 million to $30 million once the plan is fully implemented.

2014 Footprint realignment plan

In April 2014, we initiated a restructuring plan (the "2014 Footprint realignment plan") involving the consolidation of operations and a related reduction in workforce at certain facilities, and the relocation of manufacturing operations from certain higher-cost locations to existing lower-cost locations.

During 2020, we extended our timeline of certain development and qualification activities which resulted in a one year delay in the anticipated period of substantial completion, so we now expect the plan will be substantially completed by the end of 2022. The shift in timing, along with other changes to the plan, also resulted in an increase in the estimated total charges, primarily restructuring related charges, and related cash outlays in addition to a decrease in the estimated total capital expenditures compared to prior estimates. We adjusted the corresponding ranges in consideration of these changes in estimates and we now estimate that we will incur total charges of $52 million to $55 million, which we expect will result in cash outlays of $42 million to $46 million, and total capital expenditures of $26 million to $27 million under the plan.

In 2020, we also identified additional cost reduction measures as the plan progressed and, as a result, we increased our estimate of annual plan-related savings. We now estimate that we will achieve annual pre-tax savings of $28 million to $31 million once the plan is fully implemented.

The following table provides information regarding restructuring charges we have incurred with respect to each of our restructuring programs, as well as impairment charges, for the years ended December 31, 2020, 2019, and 2018. The restructuring charges listed in the table primarily consist of termination benefits.

	2020	2019	2018
2020 Workforce reduction plan	$ 8.8	$ —	$ —
2019 Footprint realignment plan	1.5	13.8	—
2018 Footprint realignment plan	6.0	(0.9)	55.0
2014 Footprint realignment plan	0.6	0.3	0.8
Other restructuring programs	0.2	2.0	4.3
Impairment charges (1)	21.4	7.0	19.1
Total	$ 38.5	$ 22.2	$ 79.2

(1) Impairment charges recognized in 2020 related primarily to our decision to abandon intellectual property and other assets related to the Percuvance percutaneous surgical system product line. Impairment charges recognized in 2019 and 2018 related to our decision to abandon certain intellectual property and other assets associated with products that were eliminated from our interventional product portfolio.

Interest expense

	2020	2019	2018
Interest expense	$ 66.5	$ 80.3	$ 103.0
Average interest rate on debt during the year	2.51 %	3.47 %	4.25 %

The decrease in interest expense for the year ended December 31, 2020 compared to the prior year was primarily due to a lower average interest rate resulting from decreases in interest rates associated with our variable interest rate debt instruments partially offset by increases in average debt outstanding.

Loss on extinguishment of debt

	2020	2019	2018
Loss on extinguishment of debt	$ —	$ 8.8	$ —

On November 15, 2019, we prepaid the $250 million aggregate outstanding principal amount under our 2024 Notes. In addition to our prepayment of principal, we paid to the holders of the 2024 Notes a $6.5 million prepayment make-whole amount plus accrued and unpaid interest. We recorded the prepayment make-whole amount and a $2.3 million write-off of unamortized debt issuance costs as a loss on extinguishment of debt.

Gain on sale of assets

	2020	2019	2018
Gain on sale of assets	$ —	$ 6.1	$ 1.4

During the year ended December 31, 2019, we recognized a gain related to the sale of two buildings and our vein catheter reprocessing business.

Taxes on income from continuing operations

	2020	2019	2018
Effective income tax rate	6.1 %	(35.9)%	10.6 %

We generate substantial earnings from our non-U.S. operations. A number of the non-U.S. jurisdictions in which we file tax returns historically have had tax rates that are lower than the U.S. statutory tax rate; as a result, our consolidated effective income tax rate for 2020 and earlier years has been substantially below the U.S. statutory tax rate. The principal non-U.S. jurisdictions in which the tax rate in 2020 and earlier years was lower than the U.S. statutory tax rate and from which we derive substantial earnings included Ireland, Bermuda, and Singapore.

The effective income tax rate for 2020 was 6.1% compared to (35.9)% for 2019. Taxes on income from continuing operations in 2020 reflects non-taxable contingent consideration adjustments, recognized in connection with a decrease in the fair value of our contingent consideration liabilities. The effective income tax rate for 2019 reflects a tax benefit of $129 million resulting from a non-U.S. legal entity restructuring that eliminated the requirement to provide for withholding taxes on the future repatriation of certain non-permanently reinvested earnings. Additionally the effective tax rates for both 2020 and 2019 reflect a net excess tax benefit related to share-based compensation and a tax benefit relating to the revaluation of state deferred tax assets and liabilities due to business integrations and other changes. See Note 15 to the consolidated financial statements included in this Annual Report on Form 10-K for additional information.

Segment Results

Segment Net Revenues

	Year Ended December 31			% Increase/(Decrease)	
	2020	2019	2018	2020 vs 2019	2019 vs 2018
Americas	$ 1,465.0	$ 1,492.3	$ 1,351.7	(1.8)	10.4
EMEA	584.9	588.1	603.8	(0.5)	(2.6)
Asia	267.0	294.3	286.9	(9.3)	2.6
OEM	220.3	220.7	206.0	(0.2)	7.2
Segment Net Revenues	$ 2,537.2	$ 2,595.4	$ 2,448.4	(2.2)	6.0

Segment Operating Profit

	Year Ended December 31,			% Increase/(Decrease)	
	2020	2019	2018	2020 vs 2019	2019 vs 2018
Americas	$ 401.4	$ 319.9	$ 255.8	25.5	25.1
EMEA	81.3	94.4	106.1	(13.8)	(11.0)
Asia	51.2	73.1	78.1	(29.9)	(6.5)
OEM	44.9	58.0	50.3	(22.7)	15.3
Segment Operating Profit [(1)]	$ 578.8	$ 545.4	$ 490.3	6.1	11.2

(1) See Note 18 to the consolidated financial statements included in this Annual Report on Form 10-K for a reconciliation of segment operating profit to our consolidated income from continuing operations before interest, loss on extinguishment of debt and taxes.

Americas

Americas net revenues for the year ended December 31, 2020 decreased $27.3 million, or 1.8%, compared to the prior year, which was primarily attributable to a $33.7 net decrease in sales volumes of existing products, largely caused by the COVID-19 pandemic, partially offset by a $7.7 million increase in sales of new products.

Americas operating profit for the year ended December 31, 2020 increased $81.5 million, or 25.5%, compared to the prior year, which was primarily attributable to a benefit from a reduction in the estimated fair value of our contingent consideration liabilities, which largely relate to revenue-based milestone payments, due to adverse financial projections resulting from the COVID-19 pandemic. The increase in operating profit was partially offset by a decrease in gross profit resulting from lower sales caused by the COVID-19 pandemic.

EMEA

EMEA net revenues for the year ended December 31, 2020 decreased $3.2 million, or 0.5%, compared to the prior year, which was primarily attributable to a $10.3 million net decrease in sales volumes of existing products caused by the COVID-19 pandemic, partially offset by favorable fluctuations in foreign currency exchange rates of $6.3 million.

EMEA operating profit for the year ended December 31, 2020 decreased $13.1 million, or 13.8%, compared to the prior year, which was primarily attributable to a decrease in gross profit resulting from lower sales and higher manufacturing costs, both caused by the COVID-19 pandemic, and an increase in research and development expenses. The decreases in operating profit were partially offset by lower selling, general and administrative expenses.

Asia

Asia net revenues for the year ended December 31, 2020 decreased $27.3 million, or 9.3%, compared to the prior year. The decrease was primarily attributable to a $36.3 million net decrease in sales volumes of existing products, caused by the COVID-19 pandemic, partially offset by an increase in sales of new products.

Asia operating profit for the year ended December 31, 2020 decreased $21.9 million, or 29.9%, compared to the prior year, which was primarily attributable to a decrease in gross profit resulting from lower sales caused by the COVID-19 pandemic and unfavorable fluctuations in foreign currency exchange rates, partially offset by lower selling, general and administrative expenses.

OEM

OEM net revenues for the year ended December 31, 2020 decreased $0.4 million, or 0.2% compared to the prior year which was primarily attributable to a $27.8 million net decrease in sales volumes of existing products caused by the COVID-19 pandemic largely offset by net revenues of $27.1 million generated by the HPC acquisition.

OEM operating profit for the year ended December 31, 2020 decreased $13.1 million, or 22.7%, compared to the prior year, which was primarily attributable to a decrease in gross profit resulting from lower sales caused by the COVID-19 pandemic and higher manufacturing costs, partially offset by gross profit generated by the HPC acquisition.

Liquidity and Capital Resources

We assess our liquidity in terms of our ability to generate cash to fund our operating, investing and financing activities. Our principal source of liquidity is our cash flows provided by operating activities. Our cash flows provided by operating activities are reduced by cash used to, among other things, fulfill contractual obligations for minimum lease payments under noncancellable operating leases, which often extend beyond one year; the weighted average remaining lease term of our operating lease portfolio is 6.7 years years. Our cash flows provided by operating activities are also reduced by cash used for unconditional legally binding commitments to purchase goods or services (i.e. purchase obligations), which primarily related to inventory expected to be purchased within one year. Our net cash provided by operating activities was significantly in excess of amounts paid pursuant to these contractual obligations for the years ended December 31, 2020, 2019 and 2018.

In addition to operating cash flows, other significant factors that affect our overall management of liquidity include contractual obligations such as scheduled principal and interest payments with respect to outstanding indebtedness, tax on deemed repatriation of non-U.S. earnings, which will be paid annually over the next 5 years, and annual pension funding. We may also be obligated to make payments for contingent consideration due to past acquisitions, the timing and amount of which may be uncertain, and the magnitude of which can vary from year to year. Other significant factors that affect our liquidity include certain actions controlled by management such as capital expenditures, acquisitions, dividends and incremental pension and post-retirement benefit payments. See Note 12, Note 15 and Note 16 to the consolidated financial statements included in this Annual Report on Form 10-K for additional information.

Our contractual obligations at December 31, 2020 were as follows:

		Payments due by period			
	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
Total borrowings	$ 2,498.0	$ 100.5	$ 78.8	$ 918.7	$ 1,400.0
Interest obligations (1)	483.0	83.3	164.0	132.3	103.4
Operating lease obligations	126.0	26.2	41.8	21.9	36.1
Minimum purchase obligations (2)	233.8	220.0	12.6	1.2	—
Tax on deemed repatriation of foreign earnings (3)	116.7	12.3	35.3	69.1	—
Other postretirement benefits	36,812.0	4,844.3	8,985.4	7,562.2	15,420.1
Total contractual obligations	$ 40,269.5	$ 5,286.6	$ 9,317.9	$ 8,705.4	$ 16,959.6

(1) Interest payments on floating rate debt are based on the interest rate in effect on December 31, 2020.

(2) Purchase and other obligations are defined as unconditional commitments to purchase goods or services that are legally binding and that specify all significant terms, including: quantities to be purchased; price provisions; and the approximate timing of the transaction. The amounts include commitments for inventory purchases and capital expenditures (which, at the time we entered into the commitments, did not exceed our projected requirements in the normal course of business) and penalties due upon cancellation of cancellable agreements; the amounts exclude operating lease obligations, which are addressed elsewhere in the table.

(3) As permitted by the TCJA, we have elected to pay the tax in annual installments over eight years.

We believe our cash flow from operations, available cash and cash equivalents and borrowings under our revolving credit facility (which is provided for under the Credit Agreement) and accounts receivable securitization facility will enable us to fund our operating requirements, capital expenditures and debt obligations for the next 12 months and the foreseeable future.

Of our $375.9 million of cash and cash equivalents at December 31, 2020, $310.4 million was held at non-U.S. subsidiaries. We manage our worldwide cash requirements by monitoring the funds available among our subsidiaries and determining the extent to which we can access those funds on a cost effective basis.

We have entered into cross-currency swap agreements with different financial institution counterparties to hedge against the effect of variability in the U.S. dollar to euro exchange rate. Under the terms of the cross-currency swap agreements, we notionally exchanged in the aggregate $750 million for €653.1 million. The swap agreements, which begin to expire in October 2023, are designated as net investment hedges and require an exchange of the notional amounts upon expiration or the earlier termination of the agreements. We and the counterparties have agreed to effect the exchange through a net settlement. As a result, we may be required to pay (or be entitled to receive) an amount equal to the difference, on the expiration or earlier termination dates, between the U.S. dollar

equivalent of the €653.1 million notional amount and the $750 million notional amount. If, at the expiration or earlier termination of the swap agreements, the U.S. dollar to euro exchange rate has increased or declined by 10% from the rate in effect at the inception of these agreements, we would receive from or be required to pay to the counterparties an aggregate of approximately $75.0 million in respect of the notional settlement. As of December 31, 2020, we had $20.1 in current assets and $34.1 million in long term liabilities related to the fair value of our cross-currency swap agreements. The swap agreements entail risk that the counterparties will not fulfill their obligations under the agreements. However, we believe the risk is reduced because we have entered into separate agreements with different counterparties, all of which are large, well-established financial institutions.

We may at any time, from time to time, repurchase our outstanding debt securities in open market purchases, via tender offers or in privately negotiated transactions, exchange transactions or otherwise, at such price or prices as we deem appropriate. Such purchases or exchanges, if any, will depend on prevailing market conditions, our liquidity requirements, contractual restrictions and other factors and may be commenced or suspended at any time.

Summarized Financial Information – Obligor Group

The 2026 Notes and 2027 Notes (collectively, the "Senior Notes") are issued by Teleflex Incorporated (the "Parent Company"), and payment of the Parent Company's obligations under the Senior Notes is guaranteed, jointly and severally, by an enumerated group of the Parent Company's subsidiaries (each, a "Guarantor Subsidiary" and collectively, the "Guarantor Subsidiaries"). The guarantees are full and unconditional, subject to certain customary release provisions. Each Guarantor Subsidiary is directly or indirectly 100% owned by the Parent Company. Summarized financial information for the Parent and Guarantor Subsidiaries (collectively, the "Obligor Group") as of and for the year ended December 31, 2020 as follows:

	Year Ended December 31, 2020		
	Obligor Group	Intercompany	Obligor Group (excluding intercompany)
Net revenue	$ 1,734.7	$ 167.7	$ 1,567.0
Cost of goods sold	935.4	366.5	568.9
Gross profit	799.3	(198.8)	998.1
Income from continuing operations	270.7	(80.5)	351.2
Net income	270.2	(80.5)	350.7

	December 31, 2020		
	Obligor Group	Intercompany	Obligor Group (excluding intercompany)
Total current assets	$ 785.5	$ 49.1	$ 736.4
Total assets	5,321.1	1,491.4	3,829.7
Total current liabilities	792.0	542.3	249.7
Total liabilities	4,166.3	850.5	3,315.8

The same accounting policies as described in Note 1 to the consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2020 are used by the Parent Company and each of its subsidiaries in connection with the summarized financial information presented above. The Intercompany column in the table above represents transactions between and among the Obligor Group and non-guarantor subsidiaries (i.e. those subsidiaries of the Parent Company that have not guaranteed payment of the Senior Notes). Obligor investments in non-guarantor subsidiaries and any related activity are excluded from the financial information presented above. The summarized financial information presented above for the Obligor Group as of and for the year ended December 31, 2020 gives effect to the 2028 Notes issued in a private offering in May 2020.

See "Financing Arrangements" below as well as Note 10 and Note 11 to the consolidated financial statements included in this Annual Report on Form 10-K for further information related to our borrowings and financial instruments.

Cash Flows

The following table provides a summary of our cash flows for the periods presented:

	Year Ended December 31,		
	2020	2019	2018
Cash flows from continuing operations provided by (used in):			
Operating activities	$ 437.1	$ 437.1	$ 435.1
Investing activities	(837.8)	(73.5)	(196.4)
Financing activities	455.2	(418.8)	(206.4)
Cash flows (used in) provided by discontinued operations	(0.7)	2.5	2.3
Effect of exchange rate changes on cash and cash equivalents	21.0	(3.4)	(11.0)
Increase (decrease) in cash and cash equivalents	$ 74.8	$ (56.1)	$ 23.6

Cash Flow from Operating Activities

Net cash provided by operating activities from continuing operations was $437.1 million during 2020 and 2019. In 2020, the cash flows from operations reflect an increase in contingent consideration payments and tax payments that were partially offset by favorable changes in other working capital. The favorable changes in working capital were driven mainly by higher accounts receivable collections.

Cash Flow from Investing Activities

Net cash used in investing activities from continuing operations was $837.8 million during 2020, which included $767.8 million in net payments for acquired businesses, primarily Z-Medica and HPC, capital expenditures of $90.7 million and net interest proceeds on swaps designated as net investment hedges of $19.3 million.

Cash Flow from Financing Activities

Net cash provided by financing activities from continuing operations was $455.2 million during 2020, which reflected a net increase in borrowings of $575.0 million primarily resulting from the issuance of $500 million of 4.25% Senior Notes due 2028 (the "2028 Notes") and additional borrowings totaling $75.0 million under our revolving credit facility and securitization program. Net cash provided by financing activities for the year ended December 31, 2020 also reflects contingent consideration payments of $67.2 million and dividend payments of $63.2 million.

For a discussion of our cash flow comparison for 2019 and 2018, refer to our Annual Report on Form 10-K for the fiscal year ended December 31, 2019.

Free Cash Flow

Free cash flow is a non-GAAP financial measure and is calculated by subtracting capital expenditures from cash provided by operating activities from continuing operations. This financial measure is used in addition to and in conjunction with results presented in accordance with generally accepted accounting principles in the U.S., or GAAP, and should not be considered a substitute for net cash provided by operating activities from continuing operations, the most comparable GAAP financial measure. Management believes that free cash flow is a useful measure to investors because it facilitates an assessment of funds available to satisfy current and future obligations, pay dividends and fund acquisitions. We also use this financial measure for internal managerial purposes and to evaluate period-to-period comparisons. Free cash flow is not a measure of cash available for discretionary expenditures since we have certain non-discretionary obligations, such as debt service, that are not deducted from the measure. We strongly encourage investors to review our financial statements and publicly-filed reports in their entirety and not to rely on any single financial measure. The following is a reconciliation of free cash flow to the most comparable GAAP measure.

	2020	2019	2018
Net cash provided by operating activities from continuing operations	$ 437.1	$ 437.1	$ 435.1
Less: Capital expenditures	90.7	102.7	80.8
Free cash flow	$ 346.4	$ 334.4	$ 354.3

Financing Arrangements

The following table provides our net debt to total capital ratio:

	2020	2019
Net debt includes:		
Current borrowings	$ 100.5	$ 50.0
Long-term borrowings	2,377.9	1,858.9
Unamortized debt issuance costs	19.6	14.1
Total debt	2,498.0	1,923.0
Less: Cash and cash equivalents	375.9	301.1
Net debt	2,122.1	1,621.9
Total capital includes:		
Net debt	2,122.1	1,621.9
Shareholders' equity	3,336.5	2,979.3
Total capital	$ 5,458.6	$ 4,601.2
Percent of net debt to total capital	38.9 %	35.2 %

Fixed rate debt comprised 56.0% and 46.8% of total debt at December 31, 2020 and 2019, respectively. The increase in fixed rate borrowings as a percentage of total borrowings as of December 31, 2020 compared to the prior year was driven by the issuance of the 2028 Notes.

Senior credit facility

On April 5, 2019, we entered into a second amended and restated credit agreement (the "Credit Agreement"), which provides for a $1.0 billion revolving credit facility and a $700 million term loan facility, each of which matures on April 5, 2024. The Credit Agreement replaces a previous credit agreement under which we were provided a $1.0 billion credit facility and a $750 million term loan facility, due 2022 (the "prior term loan"). The $700 million term loan facility under the Credit Agreement principally was applied against the remaining $675 million principal balance of the prior term loan.

At our option, loans under the Credit Agreement will bear interest at a rate equal to adjusted LIBOR plus an applicable margin ranging from 1.25% to 2.00% or at an alternate base rate, which is defined as the highest of (i) the "Prime Rate" in the U.S. last quoted by The Wall Street Journal, (ii) 0.50% above the greater of the federal funds rate and the rate comprised of both overnight federal funds and overnight eurodollar borrowings and (iii) 1.00% above adjusted LIBOR for a one month interest period, plus in each case an applicable margin ranging from 0.125% to 1.00%, in each case subject to adjustments based on our consolidated total net leverage ratio (generally, Consolidated Total Funded Indebtedness (which is net of "Qualified Cash"), as defined in the Credit Agreement, on the date of determination to Consolidated EBITDA, as defined in the Credit Agreement, for the four most recent fiscal quarters ending on or preceding the date of determination). Overdue loans will bear interest at the rate otherwise applicable to such loans plus 2.00%.

At December 31, 2020, we had $350.0 million in borrowings outstanding and $1.9 million in outstanding standby letters of credit under our $1.0 billion revolving credit facility.

The Credit Agreement contains covenants that, among other things and subject to certain exceptions, place limitations on our ability, and the ability of our subsidiaries, to incur additional indebtedness; create additional liens; enter into a merger, consolidation or amalgamation or other defined "fundamental changes," dispose of certain assets, make certain investments or acquisitions, pay dividends, or make other restricted payments, enter into swap agreements or enter into transactions with our affiliates. Additionally, the Credit Agreement contains financial covenants that, subject to specified exceptions, require us to maintain a consolidated total net leverage ratio of not more than 4.50 to 1.00 and a consolidated interest coverage ratio (generally, Consolidated EBITDA for the four most recent fiscal quarters ending on or preceding the date of determination to Consolidated Interest Expense, as defined in the Credit Agreement, paid in cash for such period) of not less than 3.50 to 1.00. As of December 31, 2020, we were in compliance with the covenants in the Credit Agreement.

See Note 10 to the consolidated financial statements included in this Annual Report on Form 10-K for additional information regarding the Credit Agreement.

2026, 2027 and 2028 Senior Notes

As of December 31, 2020, the outstanding principal amount of our 2026 Notes, 2027 Notes and 2028 Notes was $400 million, $500 million and $500 million, respectively. The indenture governing the 2026 Notes contain covenants that, among other things and subject to certain exceptions, limit or restrict our ability, and the ability of our subsidiaries, to incur additional debt or issue preferred stock or other disqualified stock, create liens, merge, consolidate, or dispose of certain assets pay dividends, make investments or make other restricted payments, or enter into transactions with our affiliates. The indenture governing the 2027 Notes contains covenants that, among other things and subject to certain exceptions, limit or restrict our ability, and the ability of our subsidiaries, to create liens; consolidate, merge or dispose of certain assets; and enter into sale leaseback transactions. The 2028 Notes contain covenants that, among other things, will restrict our ability and the ability of our subsidiaries to create certain liens, enter into sale lease back transactions, and merge, consolidate, sell or otherwise dispose of all or substantially all of our assets.The obligations under the Senior Notes are fully and unconditionally guaranteed, jointly and severally, by each of our existing and future 100% owned domestic subsidiaries that are a guarantor or other obligor under the Credit Agreement and by certain of our other 100% owned domestic subsidiaries. As of December 31, 2020, we were in compliance with all of the terms of our Senior Notes.

Accounts receivable securitization

We have an accounts receivable securitization facility under which we sell an undivided interest in domestic accounts receivable for consideration of up to a maximum amount of commercial paper conduit. In March 2020, we amended our accounts receivable securitization facility to increase the maximum available capacity from $50 million to $75 million. As of December 31, 2020, and 2019 we borrowed the maximum amount available at the time of $75.0 million and $50 million, respectively, under this facility. This facility is utilized to provide increased flexibility in funding short term working capital requirements. The agreement governing the accounts receivable securitization facility contains certain covenants and termination events. An occurrence of an event of default or a termination event under this facility may give rise to the right of our counterparty to terminate this facility. As of December 31, 2020, we were in compliance with the covenants and none of the termination events had occurred.

For additional information regarding our indebtedness, see Note 10 to the consolidated financial statements included in this Annual Report on Form 10-K.

Critical Accounting Policies and Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ materially from the amounts derived from those estimates and assumptions.

We have identified the following as critical accounting estimates, which are defined as those that are reflective of significant judgments and uncertainties, are the most pervasive and important to the presentation of our financial condition and results of operations and could potentially result in materially different results under different assumptions and conditions. The following discussion should be considered in conjunction with the description of our accounting policies in Note 1 to the consolidated financial statements in this Annual Report on Form 10-K.

Allowance for Credit Losses

In the ordinary course of business, we grant non-interest bearing trade credit to our customers on normal credit terms. In an effort to reduce our credit risk, we (i) establish credit limits for all of our customer relationships, (ii) perform ongoing credit evaluations of our customers' financial condition, (iii) monitor the payment history and aging of our customers' receivables, and (iv) monitor open orders against an individual customer's outstanding receivable balance.

An allowance for credit losses is maintained for trade accounts receivable based on the expected collectability of accounts receivable, after considering our historical collection experience, the length of time an account is outstanding, the financial position of the customer, information provided by credit rating services in addition to new requirements under the accounting guidance, effective January 1, 2020, that includes the consideration of events or circumstances indicating historic collection rates may not be indicative of future collectability, for example, potential customer liquidity concerns resulting from COVID-19, that may impact the collectability of our receivables as well as our estimate of credit losses expected to be incurred over the life of our receivables. Our allowance for credit losses

was $12.9 million and $9.1 million at December 31, 2020 and 2019, respectively, which constituted 3.0% and 2.1% of gross trade accounts receivable at December 31, 2020 and 2019, respectively. The current portion of the allowance for credit losses, which was $8.1 million and $5.3 million as of December 31, 2020 and 2019, respectively, was recognized as a reduction of accounts receivable, net.

Although we maintain allowance for credit losses to cover the estimated losses which may occur when customers cannot make their required payments, we cannot be assured that the allowances will be sufficient to cover future losses given the volatility in the worldwide economy and the possibility that other, unanticipated events may adversely affect collectability of the accounts. If our allowance for credit losses is insufficient to address receivables we ultimately determine are uncollectible, we would be required to incur additional charges, which could materially adversely affect our results of operations. Moreover, our inability to collect outstanding receivables could adversely affect our financial condition and cash flow from operations.

Distributor Rebates

We offer rebates to certain distributors and record a reserve with respect to the estimated amount of the rebates as a reduction of revenues at the time of sale. In estimating rebates, we consider the lag time between the point of sale and the payment of the distributor's rebate claim, distributor-specific trend analyses, contractual commitments, including stated rebate rates, historical experience and other relevant information. When necessary, we adjust the reserves, with a corresponding adjustment to revenue, to reflect differences between estimated and actual experience. Historical adjustments to recorded reserves have not been significant and we do not expect significant revisions to the estimated rebates in the future. The reserve for estimated rebates was $28.5 million and $21.6 million at December 31, 2020 and 2019, respectively. We expect to pay amounts subject to the reserve as of December 31, 2020 within 90 days subsequent to year-end.

Inventory Utilization

Inventories are valued at the lower of cost or net realizable value. Factors utilized in the determination of estimated net realizable value and whether a reserve is required include (i) current sales data and historical return rates, (ii) estimates of future demand, (iii) competitive pricing pressures, (iv) new product introductions, (v) product expiration dates, and (vi) component and packaging obsolescence.

We review the net realizable value of inventory each reporting period and adjusted as necessary. We regularly compare inventory quantities on hand against historical usage or forecasts related to specific items in order to evaluate obsolescence and excessive quantities. In assessing historical usage, we also qualitatively assess business trends to evaluate the reasonableness of using historical information in estimating future usage.

Long-Lived Assets

We assess the remaining useful life and recoverability of long-lived assets whenever events or circumstances indicate the carrying value of an asset may not be recoverable. For example, such an assessment may be initiated if, as a result of a change in expectations, we believe it is more likely than not that the asset will be sold or disposed of significantly before the end of its useful life or if an adverse change occurs in the business employing the asset. Significant judgments in this area involve determining whether such events or circumstances have occurred and determining the appropriate asset group requiring evaluation. The recoverability evaluation is based on various analyses, including undiscounted cash flow projections, which involve significant management judgment. Any impairment loss, if indicated, equals the amount by which the carrying amount of the asset exceeds the estimated fair value of the asset.

Goodwill and Other Intangible Assets

Intangible assets include indefinite-lived assets (such as goodwill, certain trade names and in-process research and development ("IPR&D")), as well as finite-lived intangibles (such as trade names that do not have indefinite lives, customer relationships, intellectual property, distribution rights and non-competition agreements) and are, generally, obtained through acquisition. Intangible assets acquired in a business combination are measured at fair value and we allocate any excess purchase price over the fair value of the net tangible and intangible assets acquired in a business combination to goodwill. Considerable management judgment is necessary in making the assumptions used in the estimated fair value of intangible assets acquired in a business combination.

The costs of finite-lived intangibles are amortized to expense over their estimated useful life. Determining the useful life of an intangible asset requires considerable judgment as different types of intangible assets typically will

have different useful lives. Goodwill and other indefinite-lived intangible assets are not amortized; we test these assets annually for impairment during the fourth quarter, using the first day of the quarter as the measurement date, or earlier upon the occurrence of certain events or substantive changes in circumstances that indicate an impairment may have occurred. Such conditions may include an economic downturn in a geographic market or a change in the assessment of future operations.

Goodwill

Goodwill impairment assessments are performed at a reporting unit level. For purposes of this assessment, a reporting unit is an operating segment, or a business one level below that operating segment. No impairment was recorded as a result of the annual goodwill impairment testing performed during the fourth quarter of 2020.

In applying the goodwill impairment test, we may assess qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying value. Qualitative factors may include, but are not limited to, macroeconomic conditions, industry conditions, the competitive environment, changes in the market for our products and services, regulatory and political developments, and entity specific factors such as strategies and financial performance. If, after completing the qualitative assessment, we determine it is more likely than not that the fair value of a reporting unit is less than its carrying value, we proceed to a two-step quantitative impairment test, described below test, described below. Alternatively, we may test goodwill for impairment through the two-step quantitative impairment test without conducting the qualitative analysis.

The first step of the two-step impairment test is to compare the fair value of a reporting unit to the carrying value. In performing the first step, we calculate the fair value of the reporting unit using equal weighting of two methods; one which estimates the discounted cash flows of the reporting unit based on projected earnings in the future (the Income Approach) and one which is based on sales of similar businesses to those of the reporting unit in actual transactions (the Market Approach). If the fair value of the reporting unit exceeds the carrying value, there is no impairment. If the reporting unit carrying value exceeds the fair value, we recognize an impairment loss based on the amount by which the carrying value of goodwill exceeds its implied fair value, which we determine in the second step of the two-step test. The implied fair value of goodwill is determined by deducting the fair value of a reporting unit's identifiable assets and liabilities from the fair value of the reporting unit as a whole, as if that reporting unit had just been acquired and the fair value of the individual assets acquired and liabilities assumed were being determined initially.

The more significant judgments and assumptions in determining fair value using in the Income Approach include (1) the amount and timing of expected future cash flows, which are based primarily on our estimates of future sales, operating income, industry trends and the regulatory environment of the individual reporting units, (2) the expected long-term growth rates for each of our reporting units, which approximate the expected long-term growth rate of the global economy and of the medical device industry, and (3) discount rates that are used to discount future cash flows to their present values, which are based on an assessment of the risk inherent in the future cash flows of the respective reporting units along with various market based inputs. The more significant judgments and assumptions used in the Market Approach include (1) determination of appropriate revenue and EBITDA multiples used to estimate a reporting unit’s fair value and (2) the selection of appropriate comparable companies to be used for purposes of determining those multiples. There were no changes to the underlying methods used in 2020 as compared to the valuations of our reporting units in the past several years.

Our expected future growth rates estimated for purposes of the goodwill impairment test are based on our estimates of future sales, operating income and cash flow and are consistent with our internal budgets and business plans, which reflect a modest amount of core revenue growth coupled with the successful launch of new products each year; the effect of these growth indicators more than offset volume losses from products that are expected to reach the end of their life cycle. Changes in assumptions underlying the Income Approach could cause a reporting unit's carrying value to exceed its fair value. While we believe our assumed growth rates of sales and cash flows are reasonable, the possibility remains that the revenue growth of a reporting unit may not be as high as expected, and, as a result, the estimated fair value of that reporting unit may decline. In this regard, if our strategy and new products are not successful and we do not achieve anticipated core revenue growth in the future with respect to a reporting unit, the goodwill in the reporting unit may become impaired and, in such case, we may incur material impairment charges. Moreover, changes in revenue and EBITDA multiples in actual transactions from those historically present could result in an assessment that a reporting unit’s carrying value exceeds its fair value, in which case we also may incur material impairment charges.

Other Intangible Assets

Intangible assets are assets acquired that lack physical substance and that meet the specified criteria for recognition apart from goodwill. Management tests indefinite-lived intangible assets for impairment annually, and more frequently if events or changes in circumstances indicate that an impairment may have occurred. Similar to the goodwill impairment test process, we may assess qualitative factors to determine whether it is more likely than not that the fair value of an indefinite-lived intangible asset is less than its carrying value. If, after completing the qualitative assessment, we determine it is more likely than not that the fair value of the indefinite-lived intangible asset is greater than its carrying amount, the asset is not impaired. If we conclude it is more likely than not that the fair value of the indefinite-lived intangible asset is less than the carrying value, we then proceed to a quantitative impairment test, which consists of a comparison of the fair value of the intangible asset to its carrying amount. Alternatively, we may elect to forgo the qualitative analysis and test the indefinite-lived intangible asset for impairment through the quantitative impairment test.

In connection with intangible assets acquired in a business combination and quantitative impairment tests, we determine the estimated fair value using various methods under the Income Approach. The more significant judgements and assumptions used in the valuation of intangible assets may include revenue growth rates, royalty rate, discount rate, attrition rate, and EBITDA margin. Each of these factors and assumptions can significantly impact the value of the intangible asset.

During the year ended December 31, 2020 we recognized impairment charges of $21.4 million related primarily to our decision to abandon intellectual property and other assets related to the Percuvance percutaneous surgical system product line. See "Restructuring and impairment charges" within "Result of Operations" above as well as Note 5 to the consolidated financial statements included in this Annual Report on Form 10-K for additional information on these charges.

Share-based Compensation

We estimate the fair value of share-based awards on the date of grant and recognize as expense the value of the portion of the award that is ultimately expected to vest over the requisite service periods. Share-based compensation expense related to stock options is measured using a Black-Scholes option pricing model that takes into account subjective and complex assumptions with respect to expected life of options, volatility, risk-free interest rate and expected dividend yield. The expected life of options granted represents the period of time that options are expected to be outstanding, which is derived from the vesting period of the award, as well as historical exercise behavior. Expected volatility is based on a blend of historical volatility and implied volatility derived from publicly traded options to purchase our common stock, which we believe is more reflective of market conditions and a better indicator of expected volatility than solely using historical volatility. The risk-free interest rate is the implied yield currently available on U.S. Treasury zero-coupon issues with a remaining term equal to the expected life of the option. Share-based compensation expense related to non-vested restricted stock units is measured based on the market price of the underlying stock on the grant date discounted for the risk free interest rate and the present value of expected dividends over the vesting period. Share based compensation expense for 2020 and 2019 was $20.7 million and $26.9 million, respectively.

Contingent Consideration Liabilities

In connection with an acquisition, we may be required to pay future consideration that is contingent upon the achievement of specified objectives, such as receipt of regulatory approval, commercialization of a product or achievement of sales targets. As of the acquisition date, we record a contingent liability representing the estimated fair value of the contingent consideration we expect to pay. We determined the fair value of the contingent consideration liabilities using a Monte Carlo valuation approach, which simulates future revenues during the earn out-period using management's best estimates and other probability-weighted discounted cash flow analysis. Significant judgment is required in determining the assumptions used to calculate the fair value of the contingent consideration. Increases in projected revenues and probabilities of payment may result in significantly higher fair value measurements; decreases in these items may have the opposite effect. Increases in discount rates in the periods prior to payment may result in significantly lower fair value measurements; decreases may have the opposite effect. See Note 12 to the consolidated financial statements included in this Annual Report on Form 10-K for additional information.

We remeasure our contingent consideration liabilities each reporting period and recognize the change in the liabilities' fair value within selling, general and administrative expenses in our consolidated statement of income. As

of December 31, 2020 and 2019, we accrued $36.6 million and $219.9 million of contingent consideration, respectively.

Income Taxes

Our annual provision for income taxes and determination of the deferred tax assets and liabilities require management to assess uncertainties, make judgments regarding outcomes and utilize estimates. The difficulties inherent in such assessments, judgments and estimates are particularly challenging because we conduct a broad range of operations around the world, subjecting us to complex tax regulations in numerous international jurisdictions. As a result, we are at times subject to tax audits, disputes with tax authorities and potential litigation, the outcome of which is uncertain. In connection with its estimates of our tax assets and liabilities, management must, among other things, make judgments about the outcome of these uncertain matters.

Deferred tax assets and liabilities are measured and recorded using currently enacted tax rates that are expected to apply to taxable income in the years in which differences between the financial statement carrying amounts of existing assets and liabilities and their tax bases are recovered or settled. The likelihood of a material change in our expected realization of these assets is dependent on future taxable income, our ability to use foreign tax credit carryforwards and carrybacks, final U.S. and non-U.S. tax settlements, changes in tax law, and the effectiveness of our tax planning strategies in the various relevant jurisdictions. While management believes that its judgments and interpretations regarding income taxes are appropriate, significant differences in actual experience may require future adjustments to our tax assets and liabilities, which could be material.

In assessing the realizability of our deferred tax assets, we evaluate positive and negative evidence and use judgments regarding past and future events, including results of operations and available tax planning strategies that could be implemented to realize the deferred tax assets. Based on this assessment, we determine when it is more likely than not that all or some portion of our deferred tax assets may not be realized, in which case we apply a valuation allowance to offset the amount of such deferred tax assets. To the extent facts and circumstances change in the future, adjustments to the valuation allowances may be required. The valuation allowance for deferred tax assets of $155.0 million and $119.2 million at December 31, 2020 and 2019, respectively, relates principally to the uncertainty of the utilization of tax loss and credit carryforwards in various jurisdictions.

Significant judgment is required in determining income tax provisions and in evaluating tax positions. We establish additional provisions for income taxes when, despite the belief that tax positions are supportable, there remain certain positions that do not meet the minimum probability threshold, which is a tax position that is more likely than not to be sustained upon examination by the applicable taxing authority. In the normal course of business, we are examined by various federal, state and non-U.S. tax authorities. We regularly assess the potential outcomes of these examinations and any future examinations for the current or prior years in determining the adequacy of our provision for income taxes. We adjust the income tax provision, the current tax liability and deferred taxes in any period in which we become aware of facts that necessitate an adjustment. We are currently under examination in Ireland and Germany. The ultimate outcome of this examination could result in increases or decreases to our recorded tax liabilities, which would affect our financial results. See Note 15 to the consolidated financial statements in this Annual Report on Form 10-K for additional information regarding our uncertain tax positions.

New Accounting Standards

See Note 2 to the consolidated financial statements included in this Annual Report on Form 10-K for a discussion of recently issued accounting standards, including estimated effects, if any, of the adoption of those standards on our consolidated financial statements.

ITEM 7A. *QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK*

We are exposed to certain financial risks, specifically fluctuations in market interest rates, foreign currency exchange rates and, to a lesser extent, commodity prices. We address these risks through a risk management program that includes the use of derivative financial instruments. We do not enter into derivative instruments for trading or speculative purposes. We manage our exposure to counterparty risk on derivative instruments by entering into contracts with a diversified group of major financial institutions and by actively monitoring outstanding positions.

We also are exposed to changes in the market trading price of our common stock as it influences the valuation of stock options and their effect on earnings.

Interest Rate Risk

We are exposed to changes in interest rates as a result of our borrowing activities and our cash balances. The table below provides information regarding the interest rates by year of maturity for our fixed and variable rate debt obligations. Variable interest rates on December 31, 2020 were determined using a base rate of the one-month LIBOR rate plus the applicable spread.

	Year of Maturity						
	2021	2022	2023	2024	2025	Thereafter	Total
Fixed rate debt	$ —	$ —	$ —	$ —	$ —	$ 1,400.0	$ 1,400.0
Average interest rate	*— %*	*— %*	*— %*	*— %*	*— %*	*4.563 %*	*4.563 %*
Variable rate debt	$ 100.5	$ 35.0	$ 43.8	$ 918.7	$ —	$ —	$ 1,098.0
Average interest rate	*1.346 %*	*1.647 %*	*1.647 %*	*1.651 %*	*— %*	*— %*	*1.623 %*

A change of 1.0% in variable interest rates would increase or decrease annual interest expense by $11.0 million based on our outstanding debt as of December 31, 2020.

Foreign Currency Risk

The global nature of our operations exposes us to foreign currency risks. These risks include exposure from the effect of fluctuating exchange rates on payables and receivables as well as intercompany loans relating to transactions that are denominated in currencies other than a location's functional currency and exposure that arises from translating the results of our worldwide operations to the U.S. dollar at exchange rates that have fluctuated from the beginning of a reporting period. Our principal currency exposures relate to the Euro, Chinese Renminbi, Mexican Peso, Canadian Dollar, Malaysian Ringgit, Czech Koruna, British Pound, Indian Rupee and Japanese Yen. We utilize foreign currency forward exchange contracts and cross-currency interest rate swap contracts to attempt to minimize our exposure to these risks. Gains and losses on these contracts substantially offset losses and gains on the underlying hedged transactions.

As of December 31, 2020, the total notional amount for the foreign currency forward exchange contracts and cross-currency interest rates swap contracts, expressed in U.S. dollars, was $293.0 million and $750.0 million, respectively. A sensitivity analysis of changes in fair value of these contracts outstanding as of December 31, 2020, while not predictive in nature, indicated that a hypothetical 10% increase/decrease in the value of the U.S. dollar against all currencies would increase/decrease the fair value of these contracts by $84.5 million, the majority of which relates to the cross-currency interest rate swap contracts.

See Note 11 to the consolidated financial statements included in this Annual Report on Form 10-K for information regarding the accounting treatment of our foreign currency forward exchange contracts and cross-currency interest rates swap contracts.

ITEM 8. *FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA*

The financial statements and supplementary data required by this Item are included herein, commencing on page F-1.

ITEM 9. *CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE*

None.

ITEM 9A. *CONTROLS AND PROCEDURES*

(a) Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as of the end of the period covered by this report. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures as of the end of the period covered by this report were functioning effectively to provide reasonable assurance that the information required to be disclosed by us in reports filed under the Securities Exchange Act of 1934 is (i) recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and (ii) accumulated and communicated to our management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding disclosure. A controls system cannot provide absolute assurance, however, that the objectives of the controls system are met, and no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within a company have been detected. We acquired HPC and Z-Medica on February 18, 2020 and December 28, 2020, respectively. Consistent with the guidance provided by the staff of the Securities and Exchange Commission, management has excluded these acquisitions from its assessment of the effectiveness of our internal control over financial reporting as of December 31, 2020. The net revenues attributable to HPC and Z-Medica from their respective dates of acquisition through December 31, 2020, represent, in the aggregate, 1% of our consolidated net revenues for the year then ended and total assets (excluding goodwill and intangible assets) represent, in the aggregate, less than 1% of our consolidated total assets as of December 31, 2020.

(b) Management's Report on Internal Control Over Financial Reporting

Our management's report on internal control over financial reporting is set forth on page F-2 of this Annual Report on Form 10-K and is incorporated by reference herein.

(c) Change in Internal Control over Financial Reporting

At the beginning of November 2020, we integrated the enterprise resource planning, or ERP, system used by our Interventional Urology business with our global ERP system. This conversion impacts certain interfaces with our customers and suppliers, resulting in changes to the tools we use to take orders, procure materials, schedule production, remit billings, make payments and perform other business functions. We believe that the expanded utilization of the ERP system and related changes to processes and internal controls will enhance our internal control over financial reporting by improving the efficiency of certain financial and related transaction processes while providing us with the ability to scale our business.

Other than the ERP system upgrade discussed above, no change in our internal control over financial reporting occurred during our most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. *OTHER INFORMATION*

On February 23, 2021, our Board of Directors approved the amendment and restatement of our Bylaws to:

- implement proxy access;
- allow annual meetings of stockholders to be held solely by means of remote communication as determined by our Board of Directors, in its sole discretion;
- update the requirements for stockholder nominations not intended to be included in our proxy statement to require disclosure of any voting commitment on behalf of the proposed nominee; and
- reflect certain conforming changes.

In particular, with respect to the implementation of proxy access, the Bylaws were amended to include a new Article II, Section 2.2.2, which permits a stockholder or group of up to 20 stockholders owning 3% or more of our common stock continuously for at least three years to nominate for election to the Board, and include in our proxy materials for our annual meeting of stockholders, nominees representing the greater of two directors or 20% of the number of directors then serving on the Board (rounding down to the closest whole number), subject to certain limitations and provided that such nominating stockholder(s) and nominee(s) satisfy the applicable requirements specified in the Bylaws.

The foregoing description is qualified in its entirety by reference to the Amended and Restated Bylaws that are attached hereto as Exhibit 3.2 and incorporated herein by reference.

PART III

ITEM 10. *DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE*

For the information required by this Item 10 with respect to our Executive Officers, see Part I, Item 1. of this report. For the other information required by this Item 10, see “Election Of Directors,” “Nominees for Election to the Board of Directors,” “Corporate Governance” and “Section 16(a) Beneficial Ownership Reporting Compliance,” in the Proxy Statement for our 2021 Annual Meeting, which information is incorporated herein by reference. The Proxy Statement for our 2021 Annual Meeting will be filed within 120 days after the end of the fiscal year covered by this Annual Report on Form 10-K.

ITEM 11. *EXECUTIVE COMPENSATION*

For the information required by this Item 11, see “Compensation Discussion and Analysis,” “Compensation Committee Report,” and “Executive Compensation” in the Proxy Statement for our 2021 Annual Meeting, which information is incorporated herein by reference.

ITEM 12. *SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS*

For the information required by this Item 12 with respect to beneficial ownership of our common stock, see “Security Ownership of Certain Beneficial Owners and Management” in the Proxy Statement for our 2021 Annual Meeting, which information is incorporated herein by reference.

The following table sets forth certain information as of December 31, 2020 regarding our equity plans :

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (1)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (A))
	(A)	(B)	(C)
Equity compensation plans approved by security holders	1,157,315	$195.57	3,183,199

(1) The number of securities in column (A) exclude 64,562 shares of common stock underlying performance stock units if maximum performance levels are achieved; the actual number of shares, if any, to be issued with respect to the performance stock units will be based on performance with respect to specified financial and relative stock price measures.

ITEM 13. *CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE*

For the information required by this Item 13, see “Certain Transactions” and “Corporate Governance” in the Proxy Statement for our 2021 Annual Meeting, which information is incorporated herein by reference.

ITEM 14. *PRINCIPAL ACCOUNTING FEES AND SERVICES*

For the information required by this Item 14, see “Audit and Non-Audit Fees” and “Audit Committee Pre-Approval Procedures” in the Proxy Statement for our 2021 Annual Meeting, which information is incorporated herein by reference.

PART IV

ITEM 15. *EXHIBITS, FINANCIAL STATEMENT SCHEDULES*

(a) Consolidated Financial Statements:

The Index to Consolidated Financial Statements and Schedule is set forth on page F-1 of this Annual Report on Form 10-K.

(b) Exhibits:

The following exhibits are filed as part of, or incorporated by reference into, this report (unless otherwise indicated, the file number with respect to each filed document is 1-5353):

Exhibit No.		Description
*3.1.1	—	Restated Certificate of Incorporation of the Company (incorporated by reference to Exhibit 3.1.1 to the Company's Form 10-K filed on February 22, 2018).
*3.1.2	—	Amendment to Article Thirteenth of the Company's Certificate of Incorporation (incorporated by reference to Exhibit 3.1.2 to the Company's Form 10-K filed on February 22, 2018).
*3.1.3	—	Amendment to the first paragraph of Article Fourth of the Company's Certificate of Incorporation (incorporated by reference to Proposal 2 of the Company's Proxy Statement filed on March 29, 2007).
3.2	—	Amended and Restated Bylaws of the Company.
*4.1.1	—	Indenture, dated May 16, 2016, by and between the Company and Wells Fargo Bank, National Association (incorporated by reference to Exhibit 4.2 to the Company's Registration Statement on Form S-3 (File No 333-211276) filed on May 11, 2016).
*4.1.2	—	First Supplemental Indenture, dated May 16, 2016, by and among the Company, the guarantors party thereto and Wells Fargo Bank, National Association, relating to the Company's 4.875% Senior Notes due 2026 (incorporated by reference to Exhibit 4.2 to the Company's Form 8-K, filed with the Securities and Exchange Commission on May 16, 2016).
*4.1.3	—	Form of 4.875% Senior Note due 2026 (included in Exhibit 4.1.2).
*4.1.4	—	Second Supplemental Indenture, dated February 28, 2017, by and among Vascular Solutions, Inc., the Company and Wells Fargo Bank, National Association (incorporated by reference to Exhibit 4.2.3 to Post-Effective Amendment No. 1 to the Company's Registration Statement on Form S-3 (File No. 33-211276) filed on November 16, 2017).
*4.1.5	—	Third Supplemental Indenture, dated October 19, 2017, by and among NeoTract, Inc., Teleflex Urology Limited, the Company and Wells Fargo Bank, National Association (incorporated by reference to Exhibit 4.2.4 to Post-Effective Amendment No. 1 to the Company's registration Statement on Form S-3 (File No. 33-211276) filed on November 16, 2017).
*4.1.6	—	Fourth Supplemental Indenture, dated November 20, 2017, by and among the Company, the guarantors party thereto and Wells Fargo Bank, National Association (incorporated by reference to Exhibit 4.2 to the Company's Form 8-K filed on November 20, 2017).
*4.1.7	—	Form of 4.625% Senior Note due 2027 (included in Exhibit 4.1.6).
*4.2.1	—	Indenture, dated May 27, 2020, by and among the Company, the guarantors party thereto and Wells Fargo Bank, National Association (incorporated by reference to Exhibit 4.1 to the Company's Form 8-K filed on May 27, 2020).
*4.2.2	—	Form of 4.25% Senior Note due 2028 (included in Exhibit 4.2.1).
*4.3	—	Description of Company securities registered under Section 12 of the Securities Exchange Act of 1934 (incorporated by reference to Exhibit 4.3 to the Company's Form 10-K filed on February 21, 2020).
^*10.1	—	Teleflex Incorporated Retirement Income Plan (formerly known as the Teleflex Incorporated Salaried Employees' Pension Plan), as amended and restated effective January 1, 2014 (incorporated by reference to Exhibit 10.1 to the Company's Form 10-K filed on February 20, 2015).
^*10.2.1	—	Teleflex Incorporated Directors' Deferred Compensation Plan, dated November 22, 2019 (incorporated by reference to Exhibit 10.2.1 to the Company's Form 10-K filed on February 21, 2020).
^*10.2.2	—	Teleflex Incorporated Deferred Compensation Plan, dated November 22, 2019 (incorporated by reference to Exhibit 10.2.2 to the Company's Form 10-K filed on February 21, 2020).
^*10.3.1	—	Amended and Restated Teleflex 401(k) Savings Plan, effective as of January 1, 2014 (incorporated by reference to Exhibit 10.2 to the Company's Form 10-K filed on February 22, 2013).

Exhibit No.		Description
^*10.3.2	—	Special Amendment to Teleflex 401(k) Savings Plan, dated August 12, 2015 (incorporated by reference to Exhibit 10.3.2 to the Company's Form 10-K filed on February 25, 2016).
^*10.3.3	—	First Amendment to the Teleflex Incorporated 401(k) Savings Plan, dated December 21, 2016 (incorporated by reference to Exhibit 10.3.3 to the Company's Form 10-K filed on February 22, 2018).
^*10.3.4	—	Second Amendment to the Teleflex Incorporated 401(k) Savings Plan, dated December 21, 2016 (incorporated by reference to Exhibit 10.3.4 to the Company's Form 10-K filed on February 22, 2018).
^*10.3.5	—	Third Amendment to the Teleflex Incorporated 401(k) Savings Plan, dated November 22, 2017 (incorporated by reference to Exhibit 10.3.5 to the Company's Form 10-K filed on February 22, 2018).
^*10.3.6	—	Fourth Amendment to the Teleflex Incorporated 401(k) Savings Plan, dated January 19, 2018 (incorporated by reference to Exhibit 10.3.6 to the Company's Form 10-K filed on February 22, 2018).
^*10.3.7	—	Fifth Amendment to the Teleflex Incorporated 401(k) Savings Plan, dated March 28, 2018 (incorporated by reference to Exhibit 10.3.7 to the Company's Form 10-K filed on February 21, 2019).
^*10.4.1	—	2000 Stock Compensation Plan (incorporated by reference to the Company's Registration Statement on Form S-8 (Registration No. 333-38224), filed on May 31, 2000).
^*10.4.2	—	Amendment, dated March 28, 2012, to 2000 Stock Compensation Plan (incorporated by reference to Exhibit 10.2 to the Company's Form 10-Q filed on May 1, 2012).
^*10.5.1	—	2008 Stock Incentive Plan (incorporated by reference to Appendix A to the Company's definitive Proxy Statement for the 2008 Annual Meeting of Stockholders filed on March 21, 2008).
^*10.5.2	—	Amendment, dated March 28, 2012, to 2008 Stock Incentive Plan (incorporated by reference to Exhibit 10.3 to the Company's Form 10-Q filed on May 1, 2012).
*10.5.3	—	Form of Stock Option Agreement for stock options granted on or after January 1, 2013 under the Company's 2008 Stock Incentive Plan (incorporated by reference to Exhibit 10.5.3 to the Company's Form 10-K filed on February 24, 2014).
^*10.6	—	Teleflex Incorporated 2016 Executive Incentive Plan (incorporated by reference to Appendix A to the Company's definitive Proxy Statement for the 2016 Annual Meeting of Stockholders filed on March 24, 2016).
^*10.7	—	Teleflex Incorporated 2014 Stock Incentive Plan (incorporated by reference to Appendix A to the Company's definitive Proxy Statement for the 2014 Annual Meeting of Stockholders filed on March 28, 2014).
^*10.8	—	Executive Change In Control Agreement, dated March 31, 2017, between the Company and Liam Kelly (incorporated by reference to Exhibit 10.3 to the Company's Form 10-Q filed on May 4, 2017).
^*10.9	—	Senior Executive Officer Severance Agreement, dated March 31, 2017, between the Company and Liam Kelly (incorporated by reference to Exhibit 10.2 to the Company's Form 10-Q filed on May 4, 2017).
^*10.10	—	Senior Executive Officer Severance Agreement, dated March 26, 2013, between the Company and Thomas E. Powell (incorporated by reference to Exhibit 10.1 to the Company's Form 10-Q filed on April 30, 2013).
^*10.11	—	Executive Change In Control Agreement, dated March 26, 2013, between the Company and Thomas E. Powell (incorporated by reference to Exhibit 10.2 to the Company's Form 10-Q filed on April 30, 2013).
^*10.12	—	Letter Agreement, dated March 8, 2013, between the Company and Cameron Hicks relating to Mr. Hicks' employment as Vice President, Global Human Resources (incorporated by reference to Exhibit 10.16 to the Company's Form 10-K filed on February 20, 2015).
^*10.13	—	Senior Executive Officer Severance Agreement, dated February 17, 2016, between the Company and James J. Leyden (incorporated by reference to Exhibit 10.18 to the Company's Form 10-K filed on February 25, 2016).
^*10.14	—	Executive Change In Control Agreement, dated February 17, 2016, between the Company and James J. Leyden (incorporated by reference to Exhibit 10.19 to the Company's Form 10-K filed on February 25, 2016).
^*10.15	—	Senior Executive Officer Severance Agreement, dated February 17, 2016, between the Company and Cameron P. Hicks (incorporated by reference to Exhibit 10.20 to the Company's Form 10-K filed on February 25, 2016).

Exhibit No.		Description
^*10.16	—	Executive Change In Control Agreement, dated February 17, 2016, between the Company and Cameron P. Hicks (incorporated by reference to Exhibit 10.21 to the Company's Form 10-K filed on February 25, 2016).
^*10.17	—	Contract of Employment, dated March 24, 2020, by and between the Company and James Winters (incorporated by reference to Exhibit 10.3 to the Company's Form 10-Q filed on April 30, 2020).
^*10.18	—	Senior Executive Officer Severance Agreement, dated March 24, 2020, between the Company and James Winters (incorporated by reference to Exhibit 10.4 to the Company's Form 10-Q filed on April 30, 2020).
^*10.19	—	Executive Change In Control Agreement, dated March 24, 2020, between the Company and James Winters (incorporated by reference to Exhibit 10.5 to the Company's Form 10-Q filed on April 30, 2020).
^*10.20	—	Contract of Employment, dated September 1, 2020, by and between the Company and Mario Wijker (incorporated by reference to Exhibit 10.1 to the Company's Form 10-Q filed on October 29, 2020).
^*10.21	—	Senior Executive Officer Severance Agreement, dated September 1, 2020, between the Company and Mario Wijker (incorporated by reference to Exhibit 10.2 to the Company's Form 10-Q filed on October 29, 2020).
^*10.22	—	Executive Change In Control Agreement, dated September 1, 2020, between the Company and Mario Wijker (incorporated by reference to Exhibit 10.3 to the Company's Form 10-Q filed on October 29, 2020).
10.23	—	Senior Executive Officer Severance Agreement, dated January 1, 2021, between the Company and Daniel V. Logue.
10.24	—	Executive Change In Control Agreement, dated January 1, 2021, between the Company and Daniel V. Logue.
^*10.25	—	Second Amended and Restated Credit Agreement, dated April 5, 2019, among the Company, JPMorgan Chase Bank, N.A., as administrative agent, Bank of America, N.A. and PNC Bank, National Association, as co-syndication agents, the guarantors party thereto, the lenders party thereto and each other party thereto (incorporated by reference to Exhibit 10.1 to the Company's Form 8-K filed on April 10, 2019).
^*10.26	—	Form of Performance Stock Unit Agreement under the Company's 2014 Stock Incentive Plan (incorporated by reference to Exhibit 10.1 to the Company's Form 8-K filed on June 28, 2018).
21	—	Subsidiaries of the Company.
23	—	Consent of Independent Registered Public Accounting Firm.
31.1	—	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) under the Exchange Act.
31.2	—	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) under the Exchange Act.
32.1	—	Certification of Chief Executive Officer pursuant to Rule 13a-14(b) under the Exchange Act.
32.2	—	Certification of Chief Financial Officer pursuant to Rule 13a-14(b) under the Exchange Act.
101.1	—	The following materials from our Annual Report on Form 10-K for the year ended December 31, 2020, formatted in XBRL (eXtensible Business Reporting Language): (i) the Consolidated Statements of Income for the years ended December 31, 2020, December 31, 2019 and December 31, 2018; (ii) the Consolidated Statements of Comprehensive Income for the years ended December 31, 2020, December 31, 2019 and December 31, 2018; (iii) the Consolidated Balance Sheets as of December 31, 2020 and December 31, 2019; (iv) the Consolidated Statements of Cash Flows for the years ended December 31, 2020, December 31, 2019 and December 31, 2018; (v) the Consolidated Statements of Changes in Equity for the years ended December 31, 2020, December 31, 2019 and December 31, 2018; and (vi) Notes to Consolidated Financial Statements.
104.1	—	The cover page of the Company's Annual Report on Form 10-K for the year ended December 31, 2020, formatted in inline XBRL (included in Exhibit 101.1).

* Previously filed with the Securities and Exchange Commission as part of the filing indicated and incorporated herein by reference.
^ Indicates management contract or compensatory plan or arrangement required to be filed pursuant to Item 15(b) of this report.

ITEM 16. *FORM 10-K SUMMARY*

Registrants may voluntarily include a summary of information required by Form 10-K under this Item 16. We have elected not to include such summary information.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this Annual Report to be signed on its behalf by the undersigned, thereunto duly authorized as of the date indicated below.

TELEFLEX INCORPORATED

By: /s/ Liam J. Kelly
Liam J. Kelly
Chairman, President and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and as of the date indicated below.

By: /s/ Liam J. Kelly
Liam J. Kelly
Chairman, President, Chief Executive Officer and Director
(Principal Executive Officer)

By: /s/ Thomas E. Powell
Thomas E. Powell
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

By: /s/ John R. Deren
John R. Deren
Vice President and Chief Accounting Officer
(Principal Accounting Officer)

By: /s/ George Babich, Jr.
George Babich, Jr.
Director

By: /s/ Dr. Stephen K. Klasko
Dr. Stephen K. Klasko
Director

By: /s/ Candace H. Duncan
Candace H. Duncan
Director

By: /s/ Andrew A. Krakauer
Andrew A. Krakauer
Director

By: /s/ Gretchen R. Haggerty
Gretchen R. Haggerty
Director

By: /s/ Richard A. Packer
Richard A. Packer
Director

By: /s/ John C. Heinmiller
John C. Heinmiller
Director

By: /s/ Stuart A. Randle
Stuart A. Randle
Director

Dated: February 25, 2021

TELEFLEX INCORPORATED

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

FINANCIAL STATEMENT SCHEDULE

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

The management of Teleflex Incorporated and its subsidiaries (the "Company") is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process designed by, or under the supervision of our Chief Executive Officer and Chief Financial Officer and effected by the Company's board of directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2020. In making this assessment, management used the framework established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). As a result of this assessment and based on the criteria in the COSO framework, management has concluded that, as of December 31, 2020, the Company's internal control over financial reporting was effective.

The Company acquired IWG High Performance Conductors, Inc. ("HPC") and Z-Medica, LLC. ("Z-Medica") on February 18, 2020 and December 28, 2020. Management has excluded HPC and Z-Medica from its assessment of internal control over financial reporting as of December 31, 2020. The net revenues attributable to HPC and Z-Medica from their respective dates of acquisition through December 31, 2020, represent, in the aggregate, 1% of our consolidated net revenues for the year then ended and total assets (excluding goodwill and intangible assets) represent, in the aggregate, less than 1% of our consolidated total assets as of December 31, 2020.

The effectiveness of the Company's internal control over financial reporting as of December 31, 2020 has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report which appears herein.

/s/ Liam J. Kelly	/s/ Thomas E. Powell
Liam J. Kelly	Thomas E. Powell
Chairman, President and Chief Executive Officer	*Executive Vice President and Chief Financial Officer*

February 25, 2021

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of Teleflex Incorporated

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the consolidated financial statements, including the related notes and financial statement schedule, of Teleflex Incorporated and its subsidiaries (the "Company") as listed in the accompanying index (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2020, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2020 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2020, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the COSO.

Change in Accounting Principle

As discussed in Note 1 to the consolidated financial statements, the Company changed the manner in which it accounts for leases in 2019.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

As described in Management's Report on Internal Control Over Financial Reporting, management has excluded IWG High Performance Conductors, Inc. and Z-Medica, LLC from its assessment of internal control over financial reporting as of December 31, 2020 because they were acquired by the Company in purchase business combinations during 2020. We have also excluded IWG High Performance Conductors, Inc. and Z-Medica, LLC from our audit of internal control over financial reporting. IWG High Performance Conductors, Inc. and Z-Medica, LLC are wholly-owned subsidiaries whose total assets and total revenues excluded from management's assessment and our audit of internal control over financial reporting represent 1% and 1% respectively, of the related consolidated financial statement amounts as of and for the year ended December 31, 2020.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in

accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Valuation of Intangible Assets Acquired in Business Combinations

As described in Note 4 to the consolidated financial statements, the Company completed the acquisitions of IWG High Performance Conductors, Inc. ("HPC") and Z-Medica, LLC ("Z-Medica") for net consideration of $260.0 million and $500.0 million, respectively, in 2020, which resulted in $511.0 million of intangible assets being recorded. The intangible assets acquired were comprised of intellectual property and customer relationships for both HPC and Z-Medica, and trade names for Z-Medica. As disclosed by management, the fair value of intangible assets acquired is determined using various methods under the income approach. The more significant judgments and assumptions used in the valuation of intangible assets may include revenue growth rates, royalty rate, discount rate, attrition rate, and EBITDA margin.

The principal considerations for our determination that performing procedures relating to the valuation of intangible assets acquired in business combinations is a critical audit matter are (i) the significant judgment by management in determining the fair value of acquired intangible assets;(ii) a high degree of auditor judgment, subjectivity, and effort in performing procedures relating to the fair value measurement of intangible assets acquired and evaluating the revenue growth rates, royalty rates, discount rates, attrition rates, and EBITDA margins; and (iii) the audit effort involved the use of professionals with specialized skill and knowledge.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing of the effectiveness of controls relating to the acquisition accounting, including controls over management's valuation of the intangible assets. These procedures also included, among others (i) reading the purchase agreement and (ii) testing management's process for estimating the fair value of intangible assets. Testing management's process included evaluating the appropriateness of the valuation methods, testing the completeness and accuracy of data provided by management, and evaluating the reasonableness of the revenue growth rates, royalty rates, discount rates, attrition rates, and EBITDA margins. Evaluating the reasonableness of the revenue growth rates, attrition rates, and EBITDA margins involved considering the past performance of the acquired businesses, as well as economic and industry forecasts. The royalty rates were evaluated by considering historical and current royalty rates of similar intangible assets in the industry. The discount rates were evaluated by considering the cost of capital of comparable businesses and other industry factors. Professionals with specialized skill and knowledge were used to assist in evaluating the appropriateness of the valuation methods and evaluating the reasonableness of the revenue growth rates, EBITDA margins, the royalty rates, attrition rates, and discount rates.

/s/ PricewaterhouseCoopers LLP
Philadelphia, Pennsylvania
February 25, 2021

We have served as the Company's auditor since 1962.

TELEFLEX INCORPORATED
CONSOLIDATED STATEMENTS OF INCOME

	Year Ended December 31,		
	2020	2019	2018
	(Dollars and shares in thousands, except per share)		
Net revenues	$ 2,537,156	$ 2,595,362	$ 2,448,383
Cost of goods sold	1,212,282	1,186,357	1,145,567
Gross profit	1,324,874	1,409,005	1,302,816
Selling, general and administrative expenses	743,568	851,766	797,062
Research and development expenses	119,747	113,857	106,208
Restructuring and impairment charges	38,491	22,205	79,230
Gain on sale of assets	—	(6,077)	(1,388)
Income from continuing operations before interest, loss on extinguishment of debt and taxes	423,068	427,254	321,704
Interest expense	66,494	80,270	103,020
Interest income	(1,158)	(1,741)	(944)
Loss on extinguishment of debt	—	8,822	—
Income from continuing operations before taxes	357,732	339,903	219,628
Taxes (benefit) on income from continuing operations	21,931	(122,078)	23,196
Income from continuing operations	335,801	461,981	196,432
(Loss) income from discontinued operations	(621)	(828)	5,643
(Benefit) taxes on (loss) income from discontinued operations	(144)	(313)	1,273
(Loss) income on discontinued operations	(477)	(515)	4,370
Net income	$ 335,324	$ 461,466	$ 200,802
Earnings per share:			
Basic:			
Income from continuing operations	$ 7.22	$ 10.00	$ 4.30
(Loss) income on discontinued operations	(0.01)	(0.01)	0.09
Net income	$ 7.21	$ 9.99	$ 4.39
Diluted:			
Income from continuing operations	$ 7.10	$ 9.81	$ 4.20
(Loss) income on discontinued operations	(0.01)	(0.01)	0.09
Net income	$ 7.09	$ 9.80	$ 4.29
Weighted average shares outstanding:			
Basic	46,488	46,200	45,689
Diluted	47,287	47,090	46,801

The accompanying notes are an integral part of the consolidated financial statements.

TELEFLEX INCORPORATED
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Year Ended December 31,		
	2020	2019	2018
	(Dollars in thousands)		
Net income	$ 335,324	$ 461,466	$ 200,802
Other comprehensive income, net of tax:			
Foreign currency:			
Foreign currency translation adjustments, net of tax of $6,442, $(6,270) and $(1,047), respectively	59,758	4,195	(83,889)
Foreign currency translation, net of tax	59,758	4,195	(83,889)
Pension and other postretirement benefits plans:			
Prior service cost recognized in net periodic cost, net of tax of $(7), $(20) and $(23), respectively	26	62	71
Unamortized (loss) gain arising during the period, net of tax of $6,101, $3,817 and $(447), respectively	(19,966)	(12,767)	1,116
Plan amendments, curtailments, and settlements, net of tax of $(1,067), $0 and $(137), respectively	3,544	—	511
Net loss recognized in net periodic cost, net of tax of $(1,694), $(1,611) and $(1,588), respectively	5,559	5,319	5,231
Foreign currency translation, net of tax of $243, $15 and $(183), respectively	(610)	(44)	499
Pension and other postretirement benefits plans adjustment, net of tax	(11,447)	(7,430)	7,428
Derivatives qualifying as hedges:			
Unrealized (loss) gain on derivatives arising during the period, net of tax $234, $(85) and $(268), respectively	(3,331)	1,062	2,574
Reclassification adjustment on derivatives included in net income, net of tax of $(240), $150 and $163, respectively	2,114	(1,134)	(2,107)
Derivatives qualifying as hedges, net of tax	(1,217)	(72)	467
Other comprehensive income (loss), net of tax	47,094	(3,307)	(75,994)
Comprehensive income	$ 382,418	$ 458,159	$ 124,808

The accompanying notes are an integral part of the consolidated financial statements.

TELEFLEX INCORPORATED
CONSOLIDATED BALANCE SHEETS

	December 31,	
	2020	2019
	(Dollars and shares in thousands, except per share)	
ASSETS		
Current assets		
Cash and cash equivalents	$ 375,880	$ 301,083
Accounts receivable, net	395,071	418,673
Inventories	513,196	476,557
Prepaid expenses and other current assets	115,436	97,943
Prepaid taxes	22,842	12,076
Total current assets	1,422,425	1,306,332
Property, plant and equipment, net	473,912	430,719
Operating lease assets	100,635	113,160
Goodwill	2,585,966	2,245,305
Intangibles assets, net	2,519,746	2,156,285
Deferred tax assets	8,073	5,572
Other assets	41,802	52,447
Total assets	$ 7,152,559	$ 6,309,820
LIABILITIES AND EQUITY		
Current liabilities		
Current borrowings	$ 100,500	$ 50,000
Accounts payable	102,520	102,916
Accrued expenses	136,276	100,466
Current portion of contingent consideration	20,543	148,090
Payroll and benefit-related liabilities	122,366	115,981
Accrued interest	7,135	5,514
Income taxes payable	17,361	6,692
Other current liabilities	33,326	33,396
Total current liabilities	540,027	563,055
Long-term borrowings	2,377,888	1,858,943
Deferred tax liabilities	484,678	439,558
Pension and postretirement benefit liabilities	74,499	82,719
Noncurrent liability for uncertain tax positions	10,127	10,294
Noncurrent contingent consideration	16,090	71,818
Noncurrent operating lease liabilities	86,097	101,372
Other liabilities	226,696	202,741
Total liabilities	3,816,102	3,330,500
Commitments and contingencies		
Shareholders' equity		
Common shares, $1 par value Issued: 2020 — 47,812 shares; 2019 — 47,536 shares	47,812	47,536
Additional paid-in capital	652,305	616,980
Retained earnings	3,096,228	2,824,916
Accumulated other comprehensive loss	(297,298)	(344,392)
	3,499,047	3,145,040
Less: Treasury stock, at cost	162,590	165,720
Total shareholders' equity	3,336,457	2,979,320
Total liabilities and shareholders' equity	$ 7,152,559	$ 6,309,820

The accompanying notes are an integral part of the consolidated financial statements.

TELEFLEX INCORPORATED
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended December 31,		
	2020	2019	2018
	(Dollars in thousands)		
Cash flows from operating activities of continuing operations:			
Net income	$ 335,324	$ 461,466	$ 200,802
Adjustments to reconcile net income to net cash provided by operating activities:			
Loss (Income) from discontinued operations	477	515	(4,370)
Depreciation expense	68,567	64,088	60,494
Intangible asset amortization expense	158,685	149,974	149,486
Deferred financing costs and debt discount amortization expense	4,430	4,307	4,734
Loss on extinguishment of debt	—	8,822	—
Fair value step up of acquired inventory sold	1,707	—	—
Changes in contingent consideration	(38,164)	53,915	52,977
Asset impairments	21,388	6,966	19,110
Stock-based compensation	20,739	26,940	22,438
Net gain on sales of businesses and assets	—	(6,077)	(1,388)
Deferred income taxes, net	(32,675)	(168,594)	(6,097)
Payments for contingent consideration	(79,801)	(26,092)	(2,100)
Interest benefit on swaps designated as net investment hedges	(19,178)	(18,866)	(3,277)
Other	(26,636)	(5,800)	(13,426)
Changes in operating assets and liabilities, net of effects of acquisitions and disposals:			
Accounts receivable	44,748	(59,793)	(23,412)
Inventories	(5,497)	(53,170)	(37,198)
Prepaid expenses and other current assets	(4,323)	(31,023)	(10,351)
Accounts payable, accrued expenses and other liabilities	646	36,021	62,404
Income taxes receivable and payable, net	(13,294)	(6,531)	(35,740)
Net cash provided by operating activities from continuing operations	437,143	437,068	435,086
Cash flows from investing activities of continuing operations:			
Expenditures for property, plant and equipment	(90,694)	(102,695)	(80,795)
Payments for businesses and intangibles acquired, net of cash acquired	(767,830)	(3,462)	(121,025)
Proceeds from sales of businesses and assets	1,400	14,345	3,878
Net interest proceeds on swaps designated as net investment hedges	19,341	18,331	1,548
Net cash used in investing activities from continuing operations	(837,783)	(73,481)	(196,394)
Cash flows from financing activities of continuing operations:			
Proceeds from new borrowings	1,513,807	275,000	35,000
Reduction in borrowings	(938,807)	(528,500)	(128,500)
Debt extinguishment, issuance and amendment fees	(8,440)	(11,635)	(188)
Proceeds from share based compensation plans and the related tax impacts	18,994	21,206	22,655
Payments for contingent consideration	(67,170)	(112,079)	(73,235)
Dividends	(63,221)	(62,828)	(62,165)
Net cash provided by (used in) financing activities from continuing operations	455,163	(418,836)	(206,433)
Cash flows from discontinued operations:			
Net cash (used in) provided by operating activities	(737)	2,457	2,292
Net cash (used in) provided by discontinued operations	(737)	2,457	2,292
Effect of exchange rate changes on cash and cash equivalents	21,011	(3,286)	(10,948)
Net increase (decrease) in cash and cash equivalents	74,797	(56,078)	23,603
Cash and cash equivalents at the beginning of the year	301,083	357,161	333,558
Cash and cash equivalents at the end of the year	$ 375,880	$ 301,083	$ 357,161

The accompanying notes are an integral part of the consolidated financial statements.

TELEFLEX INCORPORATED
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

	Common Stock		Additional Paid in Capital	Retained Earnings	Accumulated Other Comprehensive Income (loss)	Treasury Stock		Total Shareholders' Equity
	Shares	Dollars				Shares	Dollars	
	(Dollars and shares in thousands, except per share amounts)							
Balance at December 31, 2017	46,871	$46,871	$ 591,721	$2,285,886	$ (265,091)	1,704	$(228,856)	$ 2,430,531
Cumulative effect adjustment resulting from the adoption of new accounting standards				3,076				3,076
Net income				200,802				200,802
Cash dividends ($1.36 per share)				(62,165)				(62,165)
Other comprehensive loss					(75,994)			(75,994)
Settlement of warrants			(56,115)			(412)	56,075	(40)
Shares issued under compensation plans	377	377	38,756			(50)	3,766	42,899
Deferred compensation			399			(10)	470	869
Balance at December 31, 2018	47,248	47,248	574,761	2,427,599	(341,085)	1,232	(168,545)	2,539,978
Cumulative effect adjustment resulting from the adoption of new accounting standards				(1,321)				(1,321)
Net income				461,466				461,466
Cash dividends ($1.36 per share)				(62,828)				(62,828)
Other comprehensive loss					(3,307)			(3,307)
Shares issued under compensation plans	288	288	42,092			(46)	2,572	44,952
Deferred compensation			127			(4)	253	380
Balance at December 31, 2019	47,536	47,536	616,980	2,824,916	(344,392)	1,182	(165,720)	2,979,320
Cumulative effect adjustment resulting from the adoption of new accounting standards				(791)				(791)
Net income				335,324				335,324
Cash dividends ($1.36 per share)				(63,221)				(63,221)
Other comprehensive income					47,094			47,094
Shares issued under compensation plans	276	276	35,223			(44)	2,233	37,732
Deferred compensation			102			(6)	897	999
Balance at December 31, 2020	47,812	$47,812	$ 652,305	$3,096,228	$ (297,298)	1,132	$(162,590)	$ 3,336,457

The accompanying notes are an integral part of the consolidated financial statements.

Note 1 — Summary of significant accounting policies

Consolidation: The consolidated financial statements include the accounts of Teleflex Incorporated and its subsidiaries (referred to herein as “we,” “us,” “our” and “Teleflex"). Intercompany transactions are eliminated in consolidation. These consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") and reflect management’s estimates and assumptions that affect the recorded amounts.

Use of estimates: The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of net revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents: All highly liquid debt instruments with an original maturity of three months or less are classified as cash equivalents. The carrying value of cash equivalents approximates the current market value.

Accounts receivable: Accounts receivable represent amounts due from customers related to the sale of products and provision of services. Our allowance for credit losses is maintained for trade accounts receivable based on the expected collectability of accounts receivable, after considering our historical collection experience, the length of time an account is outstanding, the financial position of the customer, information provided by credit rating services in addition to new requirements under the accounting guidance, effective January 1, 2020, that includes the consideration of events or circumstances indicating historic collection rates may not be indicative of future collectability, for example, potential customer liquidity concerns resulting from COVID-19, that may impact the collectability of our receivables as well as our estimate of credit losses expected to be incurred over the life of our receivables. The allowance for credit losses as of December 31, 2020 and December 31, 2019 was $12.9 million and $9.1 million, respectively. The current portion of the allowance for credit losses, which was $8.1 million and $5.3 million as of December 31, 2020 and December 31, 2019, respectively, was recognized as a reduction of accounts receivable, net.

Inventories: Inventories are valued at the lower of cost or net realizable value. The cost of our inventories is determined using the average cost method. Elements of cost in inventory include raw materials, direct labor, and manufacturing overhead. In estimating net realizable value, we evaluate inventory for excess and obsolete quantities based on estimated usage and sales, among other factors.

Property, plant and equipment: Property, plant and equipment are stated at cost, net of accumulated depreciation. Costs incurred to develop internal-use computer software during the application development stage generally are capitalized. Costs of enhancements to internal-use computer software are capitalized, provided that these enhancements result in additional functionality. Other additions and those improvements which increase the capacity or lengthen the useful lives of the assets are also capitalized. Composite useful lives for categories of property, plant and equipment, which are depreciated on a straight-line basis, are as follows: buildings — 30 years; machinery and equipment — 3 to 15 years; computer equipment and software — 3 to 5 years. Leasehold improvements are depreciated over the lesser of the useful lives of the leasehold improvements or the remaining lease term. Repairs and maintenance costs are expensed as incurred.

Goodwill and other intangible assets: Goodwill and other indefinite-lived intangible assets are not amortized but are tested for impairment annually during the fourth quarter or more frequently if events or changes in circumstances indicate that an impairment may exist. Impairment losses, if any, are included in income from operations. The goodwill impairment test is applied to each of our reporting units. For purposes of this assessment, a reporting unit is an operating segment, or a business one level below an operating segment (also known as a component) if discrete financial information is prepared for that business and regularly reviewed by segment management. However, separate components are aggregated as a single reporting unit if they have similar economic characteristics.

In performing the goodwill impairment test, we may assess qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying value. Qualitative factors may include, but are not limited to, macroeconomic conditions, industry conditions, the competitive environment, changes in the market for our products and services, regulatory and political developments, and entity specific factors such as

strategies and financial performance. If, after completing the qualitative assessment, we determine it is more likely than not that the fair value of a reporting unit is less than its carrying value, we proceed to a two-step quantitative impairment test, described below. Alternatively, we may elect to bypass the qualitative assessment and perform the two-step quantitative impairment test. The first step of the two-step impairment test is to compare the fair value of a reporting unit to its carrying value. If the reporting unit fair value exceeds the carrying value, there is no impairment. If the reporting unit carrying value exceeds the fair value, we would perform the second step of the goodwill impairment test, in which we would measure the amount of an impairment loss, if any, based on the amount by which the carrying value of goodwill exceeds its implied fair value. The implied fair value of goodwill is determined by deducting the fair value of a reporting unit's identifiable assets and liabilities from the fair value of the reporting unit as a whole, as if that reporting unit had just been acquired and the fair value of the individual assets acquired and liabilities assumed were being determined initially. We did not record a goodwill impairment charge for the year ended December 31, 2020.

Our intangible assets consist of customer relationships, intellectual property, distribution rights, in-process research and development ("IPR&D"), trade names and non-competition agreements. We define IPR&D as the value of technology acquired for which the related projects have substance and are incomplete. IPR&D acquired in a business acquisition is recognized at fair value and is required be capitalized as an indefinite-lived intangible asset until completion of the IPR&D project or upon abandonment. Upon completion of the development project (generally when regulatory approval to market the product that utilizes the technology is obtained), an impairment assessment is performed prior to amortizing the asset over its estimated useful life. If the IPR&D projects are abandoned, the related IPR&D assets would be written off.

We test our indefinite-lived intangible assets for impairment annually, or more frequently if events or changes in circumstances indicate that an impairment may have occurred. Similar to the goodwill impairment test process, we may elect to perform a qualitative assessment. If, after completing the qualitative assessment, we determine it is more likely than not that the fair value of the indefinite-lived intangible asset is greater than its carrying amount, the asset is not impaired. If we conclude it is more likely than not that the fair value of the indefinite-lived intangible asset is less than the carrying value, we then proceed to a quantitative impairment test, which consists of a comparison of the fair value of the intangible asset to its carrying amount.

Intangible assets that do not have indefinite lives, consisting of intellectual property, customer relationships, distribution rights, certain trade names and non-competition agreements, are amortized over their estimated useful lives, which are as follows: intellectual property, 5 to 20 years; customer relationships, 8 to 27 years; distribution rights, 10 years; trade names, 5 to 30 years; non-competition agreements, 3 to 6 years. The weighted average remaining amortization period with respect to our intangible assets is approximately 15 years. We periodically evaluate the reasonableness of the useful lives of these assets.

For the year ended December 31, 2020, intangible asset amortization expense of $84.4 million is included within costs of good sold. For the year ended December 31, 2019 and December 31, 2018, we reclassified intangible asset amortization expense of $82.6 million and $81.6 million, respectively, from selling, general and administrative expenses to cost of goods sold for comparability.

Long-lived assets: We assess the remaining useful life and recoverability of long-lived assets whenever events or changes in circumstances indicate the carrying value of an asset may not be recoverable. The assessment is based on various analyses, including undiscounted cash flow and profitability projections that incorporate, as applicable, the impact of the asset on the existing business. Therefore, the evaluation involves significant management judgment. Any impairment loss, if indicated, is measured as the amount by which the carrying amount of the asset exceeds the estimated fair value of the asset.

Foreign currency translation: Assets and liabilities of subsidiaries with non-United States dollar denominated functional currencies are translated into United States dollars at the rates of exchange at the balance sheet date; income and expenses are translated at the average rates of exchange prevailing during the year. The translation adjustments are reported as a component of accumulated other comprehensive loss.

Derivative financial instruments: We use derivative financial instruments primarily for purposes of hedging exposures to fluctuations in foreign currency exchange rates. All instruments are entered into for other than trading purposes. All derivatives are recognized on the balance sheet at fair value. Changes in the fair value of derivatives are recorded in the consolidated statement of comprehensive income as other comprehensive income (loss), if the instrument is designated as part of a hedge transaction. Gains or losses on derivative instruments reported in other comprehensive income (loss) are reclassified to the consolidated statement of income in the period in which

earnings are affected by the underlying hedged item. Gains or losses on derivative instruments representing hedge ineffectiveness or hedge components excluded from the assessment of effectiveness, if any, are recognized in the consolidated statement of income for the period in which such gains and losses occur. If the hedging relationship ceases to be highly effective or it becomes probable that an expected transaction will no longer occur, gains or losses on the derivative instrument are recorded in the consolidated statement of income for the period in which either such event occurs. For non-designated derivatives, gains and losses are reported as selling, general and administrative expenses in the consolidated statement of income. Cash flows from derivatives are recognized in the consolidated statements of cash flows in a manner consistent with recognition of the underlying transactions.

Share-based compensation: We estimate the fair value of share-based awards on the date of grant using an option pricing model. The value of the portion of the award that is ultimately expected to vest, which is derived, in part, following consideration of estimated forfeitures, is recognized as expense over the requisite service periods. Share-based compensation expense related to stock options is measured using a Black-Scholes option pricing model that takes into account subjective and complex assumptions with respect to the expected life of the options, volatility, risk-free interest rate and expected dividend yield. The expected life of options granted is derived from the vesting period of the award, as well as historical exercise behavior, and represents the period of time that options granted are expected to be outstanding. Expected volatility is based on a blend of historical volatility and implied volatility derived from publicly traded options to purchase our common stock, which we believe is more reflective of market conditions and a better indicator of expected volatility than would be the case if we only used historical volatility. The risk-free interest rate is the implied yield currently available on United States (or "U.S.") Treasury zero-coupon issues with a remaining term equal to the expected life of the option. Forfeitures are estimated at the time of grant based on management's expectations regarding the extent to which awards ultimately will vest and are adjusted for actual forfeitures when they occur.

Income taxes: The provision for income taxes is determined using the asset and liability approach of accounting for income taxes. Under this approach, deferred tax assets and liabilities are recognized to reflect the future tax consequences attributable to the differences between the financial statement carrying amounts of existing assets and liabilities and their tax bases, and to reflect operating loss and tax credit carryforwards. The provision for income taxes represents income taxes paid or payable for the current year plus the change in deferred taxes during the year. Provision has been made for income taxes on unremitted earnings of subsidiaries and affiliates, except to the extent that such earnings are deemed to be permanently reinvested.

Significant judgment is required in determining income tax provisions and in evaluating tax positions. We establish additional provisions for income taxes when, despite the belief that tax positions are supportable, there remain certain positions that do not meet the minimum probability threshold, which is a tax position that is more likely than not to be sustained upon examination by the applicable taxing authority. In the normal course of business, we are examined by various federal, state and non-U.S. tax authorities. We regularly assess the potential outcomes of these examinations and any future examinations for the current or prior years in determining the adequacy of its provision for income taxes. Interest accrued with respect to unrecognized tax benefits and income tax related penalties are both included in taxes on income from continuing operations. We periodically assess the likelihood and amount of potential adjustments and adjusts the income tax provision, the current tax liability and deferred taxes in the period in which the facts that give rise to an adjustment become known.

Pensions and other postretirement benefits: We provide a range of benefits to eligible employees and retired employees, including benefits available pursuant to pension and postretirement healthcare benefits plans. We record annual amounts relating to these plans based on calculations which include various actuarial assumptions such as discount rates, expected rates of return on plan assets, compensation increases, turnover rates and healthcare cost trend rates. We review our actuarial assumptions on an annual basis and makes modifications to the assumptions based on current rates and trends when appropriate. The effect of the modifications is generally amortized over future periods.

Restructuring costs: Restructuring costs, which include termination benefits, facility closure costs, contract termination costs and other restructuring costs, are recorded at estimated fair value. Other restructuring costs may include facility closure, employee relocation, equipment relocation and outplacement costs. We primarily recognize employee termination benefits when payment becomes probable and reasonably estimable because they are provided under an ongoing benefit arrangement and are based on existing plans, historical experiences and negotiated settlements of prior plans. Termination benefits provided under one-time termination benefits arrangements are recognized upon communication to the employee. We recognize charges ratably over the future service period if the employee is required to render service until termination. Key assumptions used in calculating

the restructuring costs include the terms of, and payments under, agreements to terminate certain contractual obligations and the timing of reductions in force.

Contingent consideration related to business acquisitions: In connection with business acquisitions, we may be required to pay future consideration that is contingent upon the achievement of specified objectives such as receipt of regulatory approval, commercialization of a product or achievement of sales targets. As of the acquisition date, we record a contingent liability representing the estimated fair value of the contingent consideration that we expect to pay. We remeasure the fair value of our contingent consideration arrangements each reporting period and, based on new developments, records changes in fair value until either the contingent consideration obligation is satisfied through payment upon the achievement of, or the obligation no longer exists due to the failure to achieve, the specified objectives. The change in the fair value is recorded in selling, general and administrative expenses in the consolidated statement of income. A contingent consideration payment is classified as a financing activity in the consolidated statement of cash flows to the extent it was recorded as a liability as of the acquisition date. Any additional amount paid in excess of the amount initially accrued is classified as an operating activity in the consolidated statement of cash flows.

Revenue recognition: We primarily generate revenue from the sale of medical devices including single use disposable devices and, to a lesser extent, reusable devices, instruments and capital equipment. Revenue is recognized when obligations under the terms of a contract with our customer are satisfied; this occurs upon the transfer of control of the products. Generally, transfer of control to the customer occurs at the point in time when our products are shipped from the manufacturing or distribution facility. For the OEM segment, most revenue is recognized over time because the OEM segment generates revenue from the sale of custom products that have no alternative use and we have an enforceable right to payment to the extent that performance has been completed. We market and sell products through our direct sales force and distributors to customers within the following end markets: (1) hospitals and healthcare providers; (2) other medical device manufacturers; and (3) home care providers, which represented 88%, 9% and 3% of our consolidated net revenues, respectively, for the year ended December 31, 2020. Revenue is measured as the amount of consideration we expect to receive in exchange for transferring goods. With respect to the custom products sold in the OEM segment, revenue is measured using the units produced output method. Payment is generally due 30 days from the date of invoice.

We have made the following revenue accounting policy elections and elected to use certain practical expedients: (1) we account for amounts collected from customers for sales and other taxes, net of related amounts remitted to tax authorities; (2) we do not adjust the promised amount of consideration for the effects of a significant financing component because, at contract inception, we expect the period between the time when we transfer a promised good or service to the customer and the time when the customer pays for that good or service will be one year or less; (3) we expense costs to obtain a contract as they are incurred if the expected period of benefit, and therefore the amortization period, is one year or less; (4) we account for shipping and handling activities that occur after control transfers to the customer as a fulfillment cost rather than an additional promised service; (5) we classify shipping and handling costs within cost of goods sold; and (6) with respect to the OEM segment, we have applied the practical expedient to exclude disclosure of remaining performance obligations as the contracts typically have a term of one year or less.

The amount of consideration we receive and revenue we recognize varies as a result of changes in customer sales incentives, including discounts and rebates, and returns offered to customers. The estimate of revenue is adjusted upon the earlier of the following events: (i) the most likely amount of consideration expected to be received changes or (ii) the consideration becomes fixed. Our policy is to accept returns only in cases in which the product is defective and covered under our standard warranty provisions. When we give customers the right to return products, we estimate the expected returns based on an analysis of historical experience. The liability for returns and allowances was $14.6 million and $7.2 million as of December 31, 2020 and 2019, respectively. In estimating customer rebates, we consider the lag time between the point of sale and the payment of the customer's rebate claim, customer-specific trend analyses, contractual commitments, including stated rebate rates, historical experience with respect to specific customers (as we have a history of providing similar rebates on similar products to similar customers) and other relevant information. The reserve for customer incentive programs, including customer rebates, was $28.5 million and $21.6 million at December 31, 2020 and 2019, respectively. We expect the amounts subject to the reserve as of December 31, 2020 to be paid within 90 days subsequent to period-end.

Leases: On January 1, 2019, we adopted an amendment to the guidance on leases using a modified retrospective transition approach. We have made an accounting policy election not to apply the lease accounting recognition provisions to short term leases (leases with a lease term of 12 months or less that do not include an option to purchase the underlying asset that the lessee is reasonably certain to exercise); instead, we will recognize

the lease payments for short term leases on a straight-line basis over the lease term. We have made, as a practical expedient, an accounting policy election to not separate lease and non-lease components and instead will account for each separate lease component and the non-lease components associated with that lease component as a single lease component.

Note 2 — Recently issued accounting standards

In June 2016, the FASB issued new guidance that changes the methodology to be used to measure credit losses for certain financial instruments and financial assets, including trade receivables. Under current guidance, an entity reflects credit losses on financial assets measured on an amortized cost basis only when it is probable that losses have been incurred, generally considering only past events and current conditions in determining incurred loss. The new guidance requires the recognition of an allowance that reflects the current estimate of credit losses expected to be incurred over the life of the financial asset, based not only on historical experience and current conditions, but also on reasonable forecasts. The main objective of the new guidance is to provide financial statement users with more useful information in making decisions about the expected credit losses on financial instruments and other commitments to extend credit held by a reporting entity at each reporting date. We adopted the new standard on January 1, 2020 using a modified retrospective transition approach by recognizing a cumulative-effect adjustment of $0.8 million to reduce our opening balance of retained earnings as of the adoption date. Prior period amounts have not been adjusted and continue to reflect our historical accounting.

In December 2019, the FASB issued new guidance that simplifies various aspects of accounting for income taxes including those related to the step-up in the tax basis of goodwill, intraperiod tax allocations and the interim period effects of changes in tax laws or rates. The new guidance is effective for fiscal years beginning after December 15, 2020, including interim periods within those fiscal years. Early adoption is permitted. The majority of the modifications under the new guidance will be applied on a modified retrospective basis through a cumulative-effect adjustment to retained earnings on January 1, 2021. The adoption of the guidance did not have a material impact on the consolidated financial statements.

In January 2017, the FASB issued guidance to simplify the quantitative test for goodwill impairment. Under current guidance, if a reporting unit's carrying value exceeds its fair value, the entity must determine the implied value of goodwill. This determination is made by deducting the fair value of a reporting unit's identifiable assets and liabilities from the fair value of the reporting unit as a whole as if the reporting unit had just been acquired. Under the new guidance, a determination of the implied value of goodwill will no longer be required; a goodwill impairment will be equal to the amount by which a reporting unit's carrying value exceeds its fair value, not to exceed the carrying amount of goodwill. We adopted this guidance on January 1, 2020 and will apply it, as applicable, to impairment testing we perform in 2020 and future years. The adoption of the guidance did not have an impact on the consolidated financial statements.

From time to time, new accounting guidance issued by the FASB or other standard setting bodies is adopted as of the specified effective date or, when permitted by the guidance and as determined by us, as of an earlier date. We have assessed recently issued guidance that is not yet effective, except as noted above, and believe the new guidance that we have assessed will not have a material impact on our results of operations, cash flows or financial position.

Note 3 - Net revenues

The following table disaggregates revenue by global product category for the year ended December 31, 2020, 2019 and 2018.

	Year Ended December 31		
	2020	2019	2018
Vascular access	$ 657,703	$ 600,874	$ 575,327
Anesthesia	302,293	338,413	349,370
Interventional	382,435	427,563	395,423
Surgical	317,200	370,074	358,707
Interventional urology	290,022	290,449	196,735
OEM	220,246	220,717	205,976
Other (1)	367,257	347,272	366,845
Net revenues (2)	$ 2,537,156	$ 2,595,362	$ 2,448,383

(1) Revenues in the "Other" category in the table above include revenues generated from sales of our respiratory and urology products (other than interventional urology products).

(2) The product categories listed above are presented on a global basis, while each of our reportable segments other than the OEM reportable segment are defined based on the geographic location of its operations; the OEM reportable segment operates globally. Each of the geographically based reportable segments include net revenues from each of the non-OEM product categories listed above.

Note 4 — Acquisitions and Divestitures

2020 Acquisitions

On February 18, 2020, we acquired IWG High Performance Conductors, Inc. (HPC), a privately-held original equipment manufacturer of minimally invasive medical products and high performance conductors, for an initial purchase price of $260.0 million. The acquisition complements our OEM product portfolio. For the year ended December 31, 2020, we recorded post acquisition revenue and an operating loss of $27.1 million and $0.2 million, respectively, related to HPC within our OEM operating segment. Goodwill arising from the HPC acquisition is not tax deductible and represents costs synergies, revenue growth attributable to anticipated increased market penetration from acquired products and the establishment of new customer relationships.

On December 28, 2020, we acquired Z-Medica, LLC ("Z-Medica"), a privately held medical device company that manufactures and sells hemostatic (hemorrhage control) products, marketed under the QuikClot, Combat Gauze and QuickClot Control+ brand names, to complement our anesthesia product portfolio. The acquisition included an initial cash purchase price of $500.0 million, with the potential to make an additional payment up to $25 million upon the achievement of certain commercial milestones. See Note 12 for additional information related to the fair value measurement of the contingent consideration. The goodwill arising from the Z-Medica acquisition is not tax deductible and primarily represents synergies currently expected to be realized from the integration of the Z-Medica business in addition to the benefit we expect to realize from the establishment of new customer relationships and the development of technology resulting from the operation of the Z-Medica business.

For the year ended December 31, 2020, the Company incurred $6.6 million in transaction expenses associated with the HPC and Z-Medica acquisitions, which are included in selling, general and administrative expenses in the consolidated statement of income.

The following table presents the fair value of the acquired assets and liabilities assumed with respect to each acquisition:

	HPC	Z-Medica
Assets		
Current assets	$ 10,785	$ 16,649
Property, plant and equipment	10,457	4,492
Intangible assets	179,000	332,000
Goodwill	107,127	187,939
Other assets	270	153
Total assets acquired	307,639	541,233
Less:		
Current liabilities	1,568	5,068
Deferred tax liabilities	43,449	35,225
Noncurrent liability for uncertain tax positions	1,945	—
Other liabilities	—	91
Liabilities assumed	46,962	40,384
Net assets acquired	$ 260,677	$ 500,849

We are continuing to evaluate the fair value of the acquired assets and liabilities assumed in connection with the Z-Medica acquisition and further adjustments may be necessary during the measurement period.

The following table sets forth the components of identifiable intangible assets acquired and the ranges of the useful lives as of the date of each acquisition:

	HPC		Z-Medica	
	Fair value	Useful life (years)	Fair value	Useful life (years)
Intellectual property	$ 40,000	20	$ 86,500	13 - 16
Trade names	—	—	47,500	25
Customer relationships	139,000	20	198,000	26

Pro forma information for the acquisitions completed in 2020 is not presented as the operations of the acquired businesses are not deemed to be significant to our overall operations.

2019 Divestiture

On February 4, 2019, we sold substantially all of the assets related to our vein catheter reprocessing business for $12.6 million. We recognized a $2.7 million pre-tax gain on the sale of assets, which represents the excess of the $9.7 million fair value of consideration received over the carrying value of the assets sold. In connection with the sale, the purchaser of the assets issued a secured promissory note to us in the principal amount of $10.5 million. The purchaser's obligations under the notes are secured by a lien on substantially all of the purchaser's assets. The purchaser is obligated to repay the principal amount of the promissory note in annual installments of $2.1 million on each of the first five anniversaries of the date of sale. On the date of sale, the fair value of the promissory note was $7.6 million, which we calculated by applying a discount rate determined after taking into account the creditworthiness of the purchaser. As of December 31, 2020, we had $5.6 million in receivables related to the promissory note, of which $4.7 million and $0.9 million are included in accounts receivable, net and other assets, respectively, within the consolidated balance sheet.

Note 5 — Restructuring and impairment charges

During the second quarter of 2020, we committed to a workforce reduction (the "2020 Workforce reduction plan") designed to improve profitability and reduce cost primarily by streamlining certain sales and marketing functions in our EMEA segment and certain manufacturing operations in our OEM segment. The workforce reduction was initiated to further align the business with our high growth strategic objectives. The plan was

substantially completed at the end of 2020 and we expect future restructuring expenses associated with the program, if any, to be nominal.

We have ongoing restructuring programs related to the relocation of manufacturing operations to existing lower-cost locations and related workforce reductions (referred to as our 2019, 2018 and 2014 Footprint realignment plans). The following tables provide a summary of our cost estimates and other information associated with these ongoing plans:

	2019 Footprint realignment plan (3)	2018 Footprint realignment plan (4)	2014 Footprint realignment plan (5)
Program expense estimates:		(Dollars in millions)	
Termination benefits	$16 to $18	$60 to $70	$13 to $13
Other costs (1)	2 to 2	3 to 4	1 to 2
Restructuring charges	18 to 20	63 to 74	14 to 15
Restructuring related charges (2)	38 to 43	40 to 59	38 to 40
Total restructuring and restructuring related charges	$56 to $63	$103 to $133	$52 to $55
Other program estimates:			
Expected cash outlays	$50 to $57	$99 to $127	$42 to $46
Expected capital expenditures	$28 to $33	$19 to $23	$26 to $27
Other program information:			
Period initiated	February 2019	May 2018	April 2014
Estimated period of substantial completion	2022	2022	2022
Aggregate restructuring charges	$15.3	$60.0	$13.6
Restructuring related charges incurred:			
For year ended December 31, 2020	$14.5	$9.5	$3.8
Aggregate restructuring related charges	$21.1	$16.7	$36.0

(1) Includes facility closure, employee relocation, equipment relocation and outplacement costs.

(2) Restructuring related charges represent costs that are directly related to the programs and principally constitute costs to transfer manufacturing operations to the existing lower-cost locations, project management costs and accelerated depreciation. The 2018 Footprint realignment plan also includes a charge associated with our exit from the facilities that is expected to be imposed by the taxing authority in the affected jurisdiction. Excluding this tax charge, substantially all of these charges are expected to be recognized within cost of goods sold.

(3) In 2020, we refined the disclosed ranges for each of the components of the program expense and other program estimates in consideration of the progress made to date as well as the actions remaining. The refinements resulted in a decrease in the high end of the disclosed ranges compared to our prior estimates.

(4) In 2020, we accelerated the timing of substantial completion from our prior estimate of 2024 to take advantage of an opportunity we identified to accelerate the recognition of estimated savings.

(5) In 2020, we extended our timeline of certain development and qualification activities which resulted in a delay in the anticipated period of substantial completion from our prior estimate of 2021. The shift in timing also resulted in an increase in the total program cost estimate, primarily restructuring related charges, and related cash outlays compared to prior estimates. We also refined the disclosed range of capital expenditures in consideration of the progress made to date as well as actions remaining.

The following table summarizes the restructuring reserve activity related to our 2019, 2018 and 2014 Footprint realignment plans:

	2019 Footprint realignment plan	2018 Footprint realignment plan	2014 Footprint realignment plan
Balance at December 31, 2018	$ —	$ 48,474	$ 3,936
Subsequent accruals	13,753	(939)	313
Cash payments	(1,602)	(3,628)	(580)
Foreign currency translation	(281)	367	—
Balance at December 31, 2019	11,870	44,274	3,669
Subsequent accruals	1,542	5,948	606
Cash payments	(5,532)	(4,281)	(682)
Foreign currency translation and other	174	4,140	—
Balance at December 31, 2020 (1)	$ 8,054	$ 50,081	$ 3,593

(1) The restructuring reserves as of December 31, 2020 , 2019 and 2018 consisted mainly of accruals related to termination benefits. Most of the Other costs (facility closure, employee relocation, equipment relocation and outplacement costs) were expensed and paid in the same period.

The restructuring and impairment charges recognized for the years ended December 31, 2020, 2019, and 2018 consisted of the following:

	2020		
	Termination benefits	Other Costs (1)	Total
2020 Workforce reduction plan	$ 8,494	$ 353	$ 8,847
2019 Footprint realignment plan	647	895	1,542
2018 Footprint realignment plan	5,565	383	5,948
Other restructuring programs (2)	(72)	838	766
Total restructuring charges	14,634	2,469	17,103
Asset impairment charges	—	21,388	21,388
Total restructuring and impairment charges	$ 14,634	$ 23,857	$ 38,491

	2019		
	Termination benefits	Other Costs (1)	Total
2019 Footprint realignment plan	$ 13,683	$ 70	$ 13,753
2018 Footprint realignment plan	(1,787)	848	(939)
Other restructuring programs (3)	787	1,638	2,425
Total restructuring charges	12,683	2,556	15,239
Asset impairment charges	—	6,966	6,966
Total restructuring and impairment charges	$ 12,683	$ 9,522	$ 22,205

	2018		
	Termination benefits	Other Costs (1)	Total
2018 Footprint realignment plan	$ 53,992	$ 1,001	$ 54,993
Other restructuring programs (4)	3,820	1,307	5,127
Total restructuring charges	57,812	2,308	60,120
Asset impairment charges	—	19,110	19,110
Total restructuring and impairment charges	$ 57,812	$ 21,418	$ 79,230

(1) Includes facility closure, contract termination and other exit costs.
(2) Includes activity primarily related to the 2016 and 2014 Footprint realignment plans.
(3) Includes the program initiated during third quarter of 2019, the 2017 Vascular Solutions integration program as well as the 2016 and 2014 Footprint realignment plans.
(4) Includes activity primarily related to the 2016 Footprint realignment plan, which is substantially complete, and the 2014 Footprint realignment plan, as well as the 2017 Vascular Solutions integration program and the 2017 EMEA restructuring program.

Impairment Charges

For the year ended December 31, 2020, we recorded impairment charges of $21.4 million ($19.4 million after tax) related primarily to our decision to abandon intellectual property and other assets related to the Percuvance percutaneous surgical system product line. For the years ended December 31, 2019 and 2018 we recorded impairment charges of $7.0 million and $19.1 million, respectively, related to our decision to abandon certain intellectual property and other assets associated with our interventional product portfolio.

Note 6 — Inventories

Inventories at December 31, 2020 and 2019 consist of the following:

	2020	2019
Raw materials	$ 132,370	$ 114,302
Work-in-process	75,874	71,479
Finished goods	304,952	290,776
Inventories	$ 513,196	$ 476,557

Note 7 — Property, plant and equipment

The major classes of property, plant and equipment, at cost, at December 31, 2020 and 2019 were as follows:

	2020	2019
Land, buildings and leasehold improvements	$ 272,637	$ 248,067
Machinery and equipment	496,664	443,612
Computer equipment and software	172,913	158,574
Construction in progress	84,336	63,991
	1,026,550	914,244
Less: Accumulated depreciation	(552,638)	(483,525)
Property, plant and equipment, net	$ 473,912	$ 430,719

Note 8 — Goodwill and other intangible assets

Changes in the carrying amount of goodwill, by reportable operating segment, for the years ended December 31, 2020 and 2019 were as follows:

	Americas	EMEA	Asia	OEM	Total
Balance as of December 31, 2018					
Goodwill	$ 1,881,662	$ 480,615	$ 211,547	$ 4,883	$ 2,578,707
Accumulated impairment losses	(332,128)	—	—	—	(332,128)
	1,549,534	480,615	211,547	4,883	2,246,579
Goodwill related to acquisitions	439	189	1,205	—	1,833
Translation and other adjustments	952	(5,032)	973	—	(3,107)
Balance as of December 31, 2019	1,550,925	475,772	213,725	4,883	2,245,305
Goodwill related to acquisitions	149,877	22,364	15,698	107,127	295,066
Translation and other adjustments	(520)	38,092	8,023	—	45,595
Balance as of December 31, 2020	$ 1,700,282	$ 536,228	$ 237,446	$ 112,010	$ 2,585,966

Intangible assets at December 31, 2020 and 2019 consisted of the following:

	Gross Carrying Amount		Accumulated Amortization	
	2020	2019	2020	2019
Customer relationships	$ 1,377,943	$ 1,021,852	$ (425,692)	$ (367,585)
In-process research and development	29,627	27,940	—	—
Intellectual property	1,458,924	1,351,990	(479,612)	(402,340)
Distribution rights	23,866	23,369	(20,280)	(18,859)
Trade names	619,847	563,315	(65,955)	(50,718)
Non-compete agreements	24,592	22,618	(23,514)	(15,297)
	$ 3,534,799	$ 3,011,084	$ (1,015,053)	$ (854,799)

As of December 31, 2020, trade names having a carrying value of $239.1 million are considered indefinite-lived. Acquired IPR&D is indefinite-lived until the completion of the related development project, at which point amortization of the carrying value of the technology will commence.

Amortization expense related to intangible assets was $158.7 million, $150.0 million, and $149.5 million for the years ended December 31, 2020, 2019 and 2018, respectively. Estimated annual amortization expense for each of the five succeeding years is as follows:

2021	$ 167,000
2022	165,300
2023	160,300
2024	159,100
2025	158,100

Note 9 — Leases

We have operating leases for various types of properties, consisting of manufacturing plants, engineering and research centers, distribution warehouses, offices and other facilities, and equipment used in operations. Some leases provide us with an option, exercisable at our sole discretion, to terminate the lease or extend the lease term for one or more years. When measuring assets and liabilities arising from a lease that provides us with an option to extend the lease term, we take into account payments to be made in the optional extension period when it is reasonably certain that we will exercise the option. Total lease cost (all of which related to operating leases) was $30.7 million, $30.2 million and $32.6 million for the years ended December 31, 2020, 2019 and 2018, respectively.

Maturities of lease liabilities

	December 31, 2020
2021	$ 26,178
2022	23,540
2023	18,222
2024	14,047
2025	7,853
2026 and thereafter	36,131
Total lease payments	125,971
Less: interest	(17,228)
Present value of lease liabilities	$ 108,743

Supplemental information

	December 31, 2020	December 31, 2019
Total lease liabilities (1)	$ 108,743	$ 122,221
Cash paid for amounts included in the measurement of lease liabilities within operating cash flows	$ 28,276	$ 26,458
Right of use assets obtained in exchange for operating lease obligations	$ 8,904	$ 37,673
Weighted average remaining lease term	6.7 years	7.2 years
Weighted average discount rate	4.0 %	4.4 %

(1) The current portion of the operating lease liability is included in other current liabilities.

Note 10 — Borrowings

Our borrowings at December 31, 2020 and 2019 were as follows:

	2020	2019
Senior Credit Facility:		
Revolving credit facility, at a rate of 1.66% at December 31, 2020, and 3.12% at December 31, 2019, due 2024	$ 350,000	$ 300,000
Term loan facility, at a rate of 1.65% at December 31, 2020 and 3.17% at December 31 2019, due 2024	673,000	673,000
4.875% Senior Notes due 2026	400,000	400,000
4.625% Senior Notes due 2027	500,000	500,000
4.25% Senior Notes due 2028	500,000	—
Securitization program, at a rate of 1.24% at December 31, 2020 and 2.51% at December 31, 2019	75,000	50,000
	2,498,000	1,923,000
Less: Unamortized debt issuance costs	(19,612)	(14,057)
	2,478,388	1,908,943
Current portion of borrowings	(100,500)	(50,000)
Long-term borrowings	$ 2,377,888	$ 1,858,943

Senior credit facility

In 2019, we amended and restated our existing credit agreement by entering into a Second Amended and Restated Credit Agreement (the "Credit Agreement"), which provides for a five-year revolving credit facility of $1.0 billion and a term loan facility of $700.0 million (the "Credit Agreement").Our obligations under the Credit Agreement are guaranteed (subject to certain exceptions and limitations) by substantially all of our material domestic subsidiaries. The obligations under the Credit Agreement are secured, subject to certain exceptions and limitations, by a lien on substantially all of the assets owned by us and each guarantor. The maturity date of the revolving credit facility and the term loan facility under the Credit Agreement is April 5, 2024.

At our option, loans under the Credit Agreement will bear interest at a rate equal to adjusted LIBOR plus an applicable margin ranging from 1.25% to 2.00% or at an alternate base rate, which generally is defined as the highest of (i) the “Prime Rate” in the U.S. last quoted by The Wall Street Journal, (ii) 0.5% above the greater of the federal funds rate and the rate comprised of both overnight federal funds and overnight eurodollar borrowings and (iii) 1% above adjusted LIBOR for a one month interest period, plus in each case an applicable margin ranging from 0.125% to 1.00%, in each case subject to adjustments based on our consolidated total net leverage ratio. Overdue loans will bear interest at the rate otherwise applicable to such loans plus 2.00%.

The Credit Agreement contains customary representations and warranties and covenants that, in each case, subject to certain exceptions, qualifications and thresholds, (a) place limitations on us regarding the incurrence of additional indebtedness, additional liens, fundamental changes, dispositions of property, investments and acquisitions, dividends and other restricted payments, transactions with affiliates, restrictive agreements, changes in lines of business and swap agreements, and (b) require us to comply with sanction laws and other laws and agreements, to deliver financial information and certain other information and give notice of certain events, to maintain their existence and good standing, to pay their other obligations, to permit the administrative agent and the lenders to inspect their books and property, to use the proceeds of the Credit Agreement only for certain permitted

purposes and to provide collateral in the future. Subject to certain exceptions, we are required to maintain a maximum consolidated total net leverage ratio of 4.50 to 1.00. We are further required to maintain a minimum consolidated interest coverage ratio of 3.50 to 1.00.

4.875% Senior notes due 2026

In 2016, we issued $400.0 million of 4.875% Senior Notes due 2026 (the "2026 Notes"). We pay interest on the 2026 Notes semi-annually on June 1 and December 1 at a rate of 4.875% per year. The 2026 Notes mature on June 1, 2026, unless earlier redeemed by us at our option, as described below, or purchased by us at the holder's option under specified circumstances following a Change of Control or Asset Sale (each as defined in the Indenture related to the 2026 Notes) or upon our election to exercise its optional redemption rights, as described below.

Our obligations under the 2026 Notes are fully and unconditionally guaranteed, jointly and severally, by each of our existing and future 100% owned domestic subsidiaries that is a guarantor or other obligor under the Credit Agreement and by certain of the other 100% owned domestic subsidiaries.

At any time on or after June 1, 2021, we may, on one or more occasions, redeem some or all of the 2026 Notes at a redemption price of 102.438% of the principal amount of the 2026 Notes subject to redemption, declining, in annual increments of 0.813%, to 100% of the principal amount on June 1, 2024, plus accrued and unpaid interest. In addition, at any time prior to June 1, 2021, we may, on one or more occasions, redeem some or all of the 2026 Notes at a redemption price equal to 100% of the principal amount of the 2026 Notes redeemed, plus a "make-whole" premium and any accrued and unpaid interest. The "make-whole" premium is the greater of (a) 1.0% of the principal amount of the 2026 Notes subject to redemption or (b) the excess, if any, over the principal amount of the 2026 Notes of the present value, on the redemption date of the sum of (i) the June 1, 2021 optional redemption price plus (ii) all required interest payments on the 2026 Notes through June 1, 2021 (other than accrued and unpaid interest to the redemption date), generally computed using a discount rate equal to the yield to maturity of U.S. Treasury securities with a constant maturity for the period most nearly equal to the period from the redemption date to June 1, 2021 (unless the period is less than one year, in which case the weekly average yield on traded U.S. Treasury securities adjusted to a constant maturity of one year will be used), plus 50 basis points.

The indenture relating to the 2026 Notes contains covenants that, among other things and subject to certain exceptions, limit or restrict our ability to incur additional debt or issue preferred stock or other disqualified stock; create liens; merge, consolidate or dispose of certain assets, make investments or make other restricted payments; or enter into transactions with affiliates.

4.625% Senior notes due 2027

In 2017, we issued $500.0 million of 4.625% Senior Notes due 2027 (the "2027 Notes"). We pay interest on the 2027 Notes semi-annually on May 15 and November 15, commencing on May 15, 2018, at a rate of 4.625% per year. The 2027 Notes mature on November 15, 2027 unless earlier redeemed by us at our option, as described below, or purchased by us at the holder's option under specified circumstances following a Change of Control or Asset Sale (each as defined in the indenture related to the 2027 Notes), coupled with a downgrade in the ratings of the 2027 Notes, or upon our election to exercise our optional redemption rights, as described below. We incurred transaction fees of $7.9 million, including underwriters' discounts and commissions, in connection with the offering of the 2027 Notes, which were recorded on the consolidated balance sheet as a reduction to long-term borrowings and are being amortized over the term of the 2027 Notes. We used the net proceeds from the offering to repay borrowings under our revolving credit facility.

Our obligations under the 2027 Notes are fully and unconditionally guaranteed, jointly and severally, by each of our existing and future 100% owned domestic subsidiaries that is a guarantor or other obligor under the Credit Agreement and by certain of our other 100% owned domestic subsidiaries.

At any time on or after November 15, 2022, we may, on one or more occasions, redeem some or all of the 2027 Notes at a redemption price of 102.313% of the principal amount of the 2027 Notes subject to redemption, declining, in annual increments of 0.771%, to 100% of the principal amount on November 15, 2025, plus accrued and unpaid interest. In addition, at any time prior to November 15, 2022, we may, on one or more occasions, redeem some or all of the 2027 Notes at a redemption price equal to 100% of the principal amount of the 2027 Notes redeemed, plus a "make-whole" premium and any accrued and unpaid interest. The "make-whole" premium is the greater of (a) 1.0% of the principal amount of the 2027 Notes subject to redemption or (b) the excess, if any, over the principal amount of the 2027 Notes of the present value, on the redemption date of the sum of (i) the November 15, 2022 optional redemption price plus (ii) all required interest payments on the 2027 Notes through

November 15, 2022 (other than accrued and unpaid interest to the redemption date), generally computed using a discount rate equal to the yield to maturity of U.S. Treasury securities with a constant maturity for the period most nearly equal to the period from the redemption date to November 15, 2022 (unless the period is less than one year, in which case the weekly average yield on traded U.S. Treasury securities adjusted to a constant maturity of one year will be used), plus 50 basis points.

In addition, at any time prior to November 15, 2020, we may, on one or more occasions, redeem up to 40% of the aggregate principal amount of the 2027 Notes, using the proceeds of specified types of Company equity offerings and subject to specified conditions, at a redemption price equal to 104.625% of the principal amount of the Notes redeemed, plus accrued and unpaid interest.

The indenture relating to the 2027 Notes contains covenants that, among other things and subject to certain exceptions, limit or restrict our ability to create liens; merge, consolidate, sell or otherwise dispose of all or substantially all of our assets; or enter into sale leaseback transactions.

4.25% Senior Notes due 2028

In 2020, we issued $500.0 million of 4.25% Senior Notes due 2028 (the "2028 Notes"). We pay interest on the 2028 Notes semi-annually on June 1 and December 1, commencing on December 1, 2020, at a rate of 4.25% per year. The 2028 Notes mature on June 1, 2028 unless earlier redeemed at our option, as described below, or purchased at the holder’s option under specified circumstances following a Change of Control or Event of Default (each as defined in the indenture related to the 2028 Notes), coupled with a downgrade in the ratings of the 2028 Notes, or upon our election to exercise its optional redemption rights, as described below. We incurred transaction fees of $8.5 million, including underwriters’ discounts and commissions, in connection with the offering of the 2028 Notes, which were recorded on the consolidated balance sheet as a reduction to long-term borrowings and are being amortized over the term of the 2028 Notes. We used the net proceeds from the offering to repay borrowings under our revolving credit facility.

Our obligations under the 2028 Notes are fully and unconditionally guaranteed, jointly and severally, by each of our existing and future 100% owned domestic subsidiaries that is a guarantor or other obligor under the Credit Agreement and by certain of our other 100% owned domestic subsidiaries.

At any time on or after June 1, 2023, we may, on one or more occasions, redeem some or all of the 2028 Notes at a redemption price of 102.125% of the principal amount of the 2028 Notes subject to redemption, declining, in annual increments of 1.0625%, to 100% of the principal amount on June 1, 2025, plus accrued and unpaid interest. In addition, at any time prior to June 1, 2023, we may, on one or more occasions, redeem some or all of the 2028 Notes at a redemption price equal to 100% of the principal amount of the 2028 Notes redeemed, plus a “make-whole” premium and any accrued and unpaid interest. The “make-whole” premium is the greater of (a) 1.0% of the principal amount of the 2028 Notes subject to redemption or (b) the excess, if any, over the principal amount of the 2028 Notes, of the present value, on the redemption date, of the sum of (i) the June 1, 2023, optional redemption price plus (ii) all required interest payments on the 2028 Notes through June 1, 2023, (other than accrued and unpaid interest to the redemption date), generally computed using a discount rate equal to the yield to maturity of U.S. Treasury securities with a constant maturity for the period most nearly equal to the period from the redemption date to June 1, 2023 (unless the period is less than one year, in which case the weekly average yield on traded U.S. Treasury securities adjusted to a constant maturity of one year will be used), plus 50 basis points.

In addition, at any time prior to June 1, 2023, we may, on one or more occasions, redeem up to 40% of the aggregate principal amount of the 2028 Notes, using the proceeds of specified types of our equity offerings and subject to specified conditions, at a redemption price equal to 104.25% of the principal amount of the Notes redeemed, plus accrued and unpaid interest.

The indenture relating to the 2028 Notes contains covenants that, among other things, limit or restrict our ability, and the ability of our subsidiaries, to create liens; merge, consolidate, sell or otherwise dispose of all or substantially all of our assets; and enter into sale leaseback transactions.

Securitization program

We have an accounts receivable securitization facility under which accounts receivable of certain domestic subsidiaries are sold on a non-recourse basis to a special purpose entity (“SPE”), which is a bankruptcy-remote, consolidated subsidiary of Teleflex. Accordingly, the assets of the SPE are not available to satisfy the obligations of Teleflex or any of its subsidiaries. The SPE sells undivided interests in those receivables to an asset backed

commercial paper conduit for consideration of up to the maximum available capacity. On March 30, 2020, we amended our accounts receivable securitization facility to increase the maximum available capacity from $50 million to $75 million. This facility is utilized from time to time to provide increased flexibility in funding short term working capital requirements. The agreement governing the accounts receivable securitization facility contains certain covenants and termination events. An occurrence of an event of default or a termination event under this facility may give rise to the right of its counterparty to terminate this facility. As of December 31, 2020, we were in compliance with the covenants, and none of the termination events had occurred. As of December 31, 2020 and 2019, we had $75.0 million and $50.0 million, respectively, (the maximum amount available) of outstanding borrowings under its accounts receivable securitization facility.

Fair value of long-term debt

To determine the fair value of our debt for which quoted prices are not available, we use a discounted cash flow technique that incorporates a market interest yield curve with adjustments for duration, optionality and risk profile. Our implied credit rating is a factor in determining the market interest yield curve. The following table provides the fair value of our debt as of December 31, 2020 and 2019, which is valued based on Level 2 inputs within the hierarchy used to measure fair value (see Note 12 to the consolidated financial statements for further information):

	December 31, 2020	December 31, 2019
Fair value of debt	$ 2,586,058	$ 1,974,918

Debt Maturities

As of December 31, 2020, the aggregate amounts of long-term debt, demand loans and debt under our securitization program that will mature during each of the next four years and thereafter were as follows:

2021	$ 100,500
2022	35,000
2023	43,750
2024	918,750
2025 and thereafter	1,400,000

Supplemental cash flow information

	Year Ended December 31,		
	2020	2019	2018
Cash interest paid	$ 79,533	$ 95,954	$ 101,790

Note 11 — Financial instruments

Foreign currency forward contracts

We use derivative instruments for risk management purposes. Foreign currency forward contracts designated as cash flows hedges are used to manage foreign currency transaction exposure. Foreign currency forward contracts not designated as hedges for accounting purposes are used to manage exposure related to near term foreign currency denominated monetary assets and liabilities. We enter into the non-designated foreign currency forward contracts for periods consistent with its currency exposures, which generally approximate one month. For the years ended December 31, 2020 and 2019, we recognized losses related to non-designated foreign currency forward contracts of $1.8 million and $3.8 million, respectively.

The total notional amount for all open foreign currency forward contracts designated as cash flow hedges as of December 31, 2020 and 2019 was $129.5 million and $132.0 million, respectively. The total notional amount for all open non-designated foreign currency forward contracts as of December 31, 2020 and 2019 was $163.5 million and $145.1 million, respectively. All open foreign currency forward contracts as of December 31, 2020 have durations of 12 months or less.

Cross-currency interest rate swaps

During 2019, we entered into cross-currency swap agreements with five different financial institution counterparties to hedge against the effect of variability in the U.S. dollar to euro exchange rate. Under the terms of the cross-currency swap agreements, we have notionally exchanged $250 million at an annual interest rate of 4.8750% for €219.2 million at an annual interest rate of 2.4595%. The swap agreements are designed as net investment hedges and expire on March 4, 2024.

During 2018, we entered into cross-currency swap agreements with six different financial institution counterparties to hedge against the effect of variability in the U.S. dollar to euro exchange rate. Under the terms of the cross-currency swap agreements, we have notionally exchanged $500 million at an annual interest rate of 4.625% for €433.9 million at an annual interest rate of 1.942%. The swap agreements are designated as net investment hedges and expire on October 4, 2023.

The swap agreements described above require an exchange of the notional amounts upon expiration or earlier termination of the agreements. We and the counterparties have agreed to effect the exchange through a net settlement.

The cross-currency swaps are marked to market at each reporting date and any changes in fair value are recognized as a component of accumulated other comprehensive income (loss) ("AOCI") while the accrued interest is recognized in interest expense in the statement of operations. For the years ended December 31, 2020 and 2019, we recognized a foreign exchange loss of $37.3 million and a gain of $20.8 million, respectively, in foreign currency translation adjustments within AOCI related to the cross-currency swaps. For the years ended December 31, 2020 and 2019, we recognized $14.5 million and $18.9 million, respectively, in interest benefit related to the cross-currency swaps.

Balance sheet presentation

The following table presents the locations in the consolidated balance sheets and fair value of derivative instruments as of December 31, 2020 and 2019:

	December 31, 2020	December 31, 2019
Asset derivatives:		
Designated foreign currency forward contracts	$ 1,691	$ 1,659
Non-designated foreign currency forward contracts	61	192
Cross-currency interest rate swap	20,106	21,575
Prepaid expenses and other current assets	21,858	23,426
Cross-currency interest rate swap	—	13,066
Other assets	—	13,066
Total asset derivatives	$ 21,858	$ 36,492
Liability derivatives:		
Designated foreign currency forward contracts	$ 1,504	$ 1,285
Non-designated foreign currency forward contracts	366	102
Other current liabilities	1,870	1,387
Cross-currency interest rate swap	34,125	—
Other liabilities	34,125	—
Total liability derivatives	$ 35,995	$ 1,387

See Note 13 for information on the location and amount of gains and losses attributable to derivatives that were reclassified from AOCI to expense (income), net of tax.

For the years ended December 31, 2020, 2019 and 2018, there was no ineffectiveness related to our hedging derivatives.

Note 12 — Fair value measurement

Fair value is the price that would be received from the sale of an asset or paid to transfer a liability, using assumptions that market participants would use in pricing an asset or liability. Under GAAP, there is a three-level

hierarchy of the inputs (i.e., assumptions that market participants would use in pricing an asset or liability) used to measure fair value. The categorization within the valuation hierarchy is based on the lowest level of input that is significant to the entire fair value measurement.

The levels of inputs within the hierarchy used to measure fair value are as follows:

Level 1 — inputs to the fair value measurement that are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 — inputs to the fair value measurement that include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; inputs other than quoted prices that are observable for the asset or liability; and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 — inputs to the fair value measurement that are unobservable inputs for the asset or liability.

The following tables provide information regarding our financial assets and liabilities measured at fair value on a recurring basis as of December 31, 2020 and 2019:

		Basis of fair value measurement		
	December 31, 2020	(Level 1)	(Level 2)	(Level 3)
Investments in marketable securities	$ 12,617	$ 12,617	$ —	$ —
Derivative assets	21,858	—	21,858	—
Derivative liabilities	35,995	—	35,995	—
Contingent consideration liabilities	36,633	—	—	36,633

		Basis of fair value measurement		
	December 31, 2019	(Level 1)	(Level 2)	(Level 3)
Investments in marketable securities	$ 10,926	$ 10,926	$ —	$ —
Derivative assets	36,492	—	36,492	—
Derivative liabilities	1,387	—	1,387	—
Contingent consideration liabilities	219,908	—	—	219,908

There were no transfers of financial assets or liabilities into or out of Level 3 within the fair value hierarchy during the years ended December 31, 2020 or 2019.

Valuation Techniques

Our financial assets valued based upon Level 1 inputs are comprised of investments in marketable securities held in trust, which are available to satisfy benefit obligations under Company benefit plans and other arrangements. The investment assets of the trust are valued using quoted market prices.

Our financial assets and liabilities valued based upon Level 2 inputs are comprised of foreign currency forward contracts and cross-currency interest rate swap agreements. We use foreign currency forward contracts and cross-currency interest rate swap agreements to manage foreign currency transaction exposure as well as exposure to foreign currency denominated monetary assets and liabilities. We measure the fair value of the foreign currency forward and cross-currency swap agreements by calculating the amount required to enter into offsetting contracts with similar remaining maturities, based on quoted market prices, and taking into account the creditworthiness of the counterparties.

Our financial liabilities valued based upon Level 3 inputs are comprised of contingent consideration arrangements pertaining to our acquisitions.

Contingent consideration

Contingent consideration liabilities, which primarily consist of payment obligations that are contingent upon the achievement of revenue-based goals, but also can be based on other milestones such as regulatory approvals, are remeasured to fair value each reporting period using assumptions including estimated revenues (based on internal operational budgets and long-range strategic plans), discount rates, probability of payment and projected payment dates.

We determine the fair value of the contingent consideration liabilities using a Monte Carlo simulation (which involves a simulation of future revenues during the earn-out period using management's best estimates) or discounted cash flow analysis. Increases in projected revenues, estimated cash flows and probabilities of payment may result in significantly higher fair value measurements; decreases in these items may have the opposite effect. Increases in the discount rates in periods prior to payment may result in significantly lower fair value measurements and decreases in the discount rates may have the opposite effect. As of December 31, 2020, the maximum amount we could be required to pay under the contingent consideration arrangements related to the Essential Medical and Z-Medica acquisitions was $91.9 million. See Note 17 for additional information regarding the revenue-based milestone goals related to our acquisition of Essential Medical.

The table below provides additional information regarding the valuation technique and inputs used in determining the fair value of contingent consideration.

Contingent Consideration Liability	Valuation Technique	Unobservable Input	Range (Weighted average)
Milestone-based payment			
	Discounted cash flow	Discount rate	1.3% - 2.3% (1.5%)
		Projected year of payment	2021 - 2023
Revenue-based			
	Monte Carlo simulation	Revenue volatility	22.4%
		Risk free rate	Cost of debt structure
		Projected year of payment	2021 - 2022
	Discounted cash flow	Discount rate	6.5% - 10.0% (9.1%)
		Projected year of payment	2021 - 2029

The following table provides information regarding changes in our contingent consideration liabilities for the years ended December 31, 2020 and 2019:

	2020	2019
Beginning balance – January 1	$ 219,908	$ 304,248
Payments (1)	(146,971)	(138,171)
Initial estimate upon acquisition and revaluations	(36,714)	53,915
Translation adjustment	410	(84)
Ending balance – December 31	$ 36,633	$ 219,908

(1) Consists mainly of a $140.6 million payment associated with our acquisition of NeoTract, Inc. ("Neotract") and resulting from the achievement of a revenue-based goal for the period from January 1, 2019 to December 31, 2019.

Note 13 — Shareholders' equity

Our authorized capital is comprised of 200 million common shares, $1 par value, and 500,000 preference shares. No preference shares have been outstanding during the last three years.

Basic earnings per share is computed by dividing net income by the weighted average number of common shares outstanding during the period. Diluted earnings per share is computed in the same manner except that the weighted average number of shares is increased to include dilutive securities. The following table provides a reconciliation of basic to diluted weighted average shares outstanding:

	2020	2019	2018
Basic	46,488	46,200	45,689
Dilutive effect of share based awards	799	890	970
Dilutive effect of convertible notes and warrants	—	—	142
Diluted	47,287	47,090	46,801

Weighted average shares that were antidilutive and therefore excluded from the calculation of diluted earnings per share were 0.1 million, 0.1 million and 0.6 million for the years ended December 31, 2020, 2019 and 2018, respectively.

The following tables provides information relating to the changes in accumulated other comprehensive income (loss), net of tax, for the years ended December 31, 2020 and 2019:

	Cash Flow Hedges	Pension and Other Postretirement Benefit Plans	Foreign Currency Translation Adjustment	Accumulated Other Comprehensive Income (Loss)
Balance at December 31, 2018	$ 807	$ (131,380)	$ (210,512)	$ (341,085)
Other comprehensive income (loss) before reclassifications	1,062	(12,811)	4,195	(7,554)
Amounts reclassified from accumulated other comprehensive (loss) income	(1,134)	5,381	—	4,247
Net current-year other comprehensive (loss) income	(72)	(7,430)	4,195	(3,307)
Balance at December 31, 2019	735	(138,810)	(206,317)	(344,392)
Other comprehensive (loss) income before reclassifications	(3,331)	(17,032)	59,758	39,395
Amounts reclassified from accumulated other comprehensive income	2,114	5,585	—	7,699
Net current-year other comprehensive (loss) income	(1,217)	(11,447)	59,758	47,094
Balance at December 31, 2020	$ (482)	$ (150,257)	$ (146,559)	$ (297,298)

The following table provides information relating to the losses (gains) recognized in the statements of income including the reclassifications of losses (gains) in accumulated other comprehensive (loss) income into expense/ (income), net of tax, for the years ended December 31, 2020, 2019 and 2018:

	Year Ended December 31,		
	2020	2019	2018
Losses (gains) on designated foreign exchange forward contracts:			
Cost of goods sold	$ 2,354	$ (1,284)	$ (2,270)
Total before tax	2,354	(1,284)	(2,270)
Taxes (benefit) expense	(240)	150	163
Net of tax	$ 2,114	$ (1,134)	$ (2,107)
Amortization of pension and other postretirement benefits items:			
Actuarial losses (1)	$ 7,253	$ 6,930	$ 7,305
Prior-service credits (1)	33	82	251
Total before tax	7,286	7,012	7,556
Tax benefit	(1,701)	(1,631)	(1,733)
Net of tax	$ 5,585	$ 5,381	$ 5,823
Impact on income from continuing operations, net of tax	$ 7,699	$ 4,247	$ 3,716

(1) These accumulated other comprehensive (loss) income components are included in the computation of net benefit cost of pension and other postretirement benefit plans (see Note 16 for additional information).

Note 14 — Stock compensation plans

In May 2014, our stockholders approved the Teleflex Incorporated 2014 Stock Incentive Plan (the "2014 Plan") which replaced the 2008 Stock Incentive Plan and 2000 Stock Compensation Plan (the "Prior Plans"), under which stock options and restricted stock awards previously were granted. The 2014 Plan provides for several different kinds of awards, including stock options, stock appreciation rights, stock awards and other stock-based awards to directors, officers and key employees. Under the 2014 Plan, we are authorized to issue up to 5.3 million shares of common stock, subject to adjustment in accordance with special share counting rules in the 2014 Plan that, among other things, (i) count shares underlying a stock option or stock appreciation right (each, an "option award") as one share and each share underlying any other type of award (a "stock award") as 1.8 shares, (ii) increase the shares we are authorized to issue by one or 1.8 shares for each share underlying an option award or stock award, respectively, under the Prior Plans that have been canceled, expired, settled in cash or forfeited after December 31, 2013 and (iii) decrease the number of shares we are authorized to issue by one share and 1.8 shares for each share underlying an option award or stock award, respectively, granted under the Prior Plans between January 1, 2014 and the May 2, 2014 adoption of the 2014 Plan by our stockholders. Options granted under the 2014 Plan have an exercise price equal to the closing price of the common stock on the date of the grant. In 2020, we granted,

under the 2014 Plan, non-qualified options to purchase 130,206 shares of common stock and granted restricted stock units relating to 52,464 shares of common stock under the 2014 Plan. We also granted performance share units ("PSUs"), as described in the following paragraph.

In 2018, we began granting PSUs to specified senior managers. The PSUs are designed to provide further incentive to our senior management with respect to achievement of the long term financial objectives. The PSU component of the equity incentive program is designed to provide shares of our common stock to the holder based upon our achievement of certain financial performance criteria during a designated performance period of three years. The number of shares to be awarded under the PSUs granted are subject to modification based upon our total stockholder return relative to a designated group of public companies. Assuming target performance is achieved, a total of 25,818 shares of common stock would be issuable in respect of the PSUs granted and a maximum of 64,562 shares would be issuable in respect of such PSUs upon achievement of maximum performance levels.

The following table summarizes the share-based compensation activity:

	2020	2019	2018
	(Dollars in millions)		
Share-based compensation expense	$ 20.7	$ 26.9	$ 22.4
Total income tax benefit recognized for share-based compensation arrangements	22.0	21.1	20.7
Net excess tax benefit	17.5	15.4	15.9

The unrecognized compensation expense for all awards granted in 2020 as of the grant date was $30.4 million, which will be recognized over the vesting period of the awards. As of December 31, 2020, 3,183,199 shares were available for future grants under the 2014 Plan.

Option Awards

The fair value of options granted in 2020, 2019 and 2018 was estimated at the date of grant using a Black-Scholes option pricing model. The following weighted-average assumptions were used:

	2020	2019	2018
Risk-free interest rate	1.16 %	2.44 %	2.67 %
Expected life of option	5.00 years	4.99 years	4.98 years
Expected dividend yield	0.39 %	0.47 %	0.54 %
Expected volatility	23.98 %	23.92 %	22.65 %

The following table summarizes the option activity during 2020:

	Shares Subject to Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life In Years	Aggregate Intrinsic Value
Outstanding, beginning of the year	1,325,532	$ 161.91		
Granted	130,206	347.64		
Exercised	(289,324)	106.79		
Forfeited or expired	(9,099)	290.49		
Outstanding, end of the year	1,157,315	195.57	5.71	$ 249,979
Exercisable, end of the year	903,680	$ 163.27	4.94	$ 224,388

The weighted average grant date fair value for options granted during 2020, 2019 and 2018 was $74.60, $68.22 and $58.16, respectively. The total intrinsic value of options exercised during 2020, 2019 and 2018 was $77.9 million, $64.3 million and $69.4 million, respectively.

We recorded $9.4 million of expense related to options during 2020, which is included in cost of goods sold or selling, general and administrative expenses. As of December 31, 2020, the unamortized share-based compensation cost related to non-vested stock options, net of expected forfeitures, was $9.4 million, which is expected to be recognized over a weighted-average period of 1.45 years. Authorized but unissued shares of our common stock are issued upon exercises of options.

Stock Awards

The fair value of PSUs granted in 2019 was determined using a Monte Carlo simulation valuation model. The grant date fair value for these awards was $362.78.

The fair value for restricted stock units granted in 2020, 2019 and 2018 was estimated at the date of grant based on the market price for the underlying stock on the grant date discounted for the risk free interest rate and the present value of expected dividends over the vesting period. The following weighted-average assumptions were used:

	2020	2019	2018
Risk-free interest rate	1.07 %	2.41 %	2.41 %
Expected dividend yield	0.38 %	0.46 %	0.53 %

The following table summarizes the non-vested restricted stock unit activity during 2020:

	Number of Non-Vested Shares	Weighted Average Grant-Date Fair Value	Weighted Average Remaining Contractual Life	Aggregate Intrinsic Value
Outstanding, beginning of the year	177,348	$ 240.17		
Granted	52,464	344.70		
Vested	(67,851)	195.95		
Forfeited	(10,718)	285.37		
Outstanding, end of the year	151,243	$ 293.06	1.2	$ 62,236

We issued 52,464, 69,799 and 62,221 of non-vested restricted stock units in 2020, 2019 and 2018, respectively, the majority of which provide for vesting as to all underlying shares on the third anniversary of the grant date. The weighted average grant-date fair value for non-vested restricted stock units granted during 2020, 2019 and 2018 was $344.70, $286.51 and $250.66, respectively.

We recorded $14.8 million of expense related to stock awards during 2020, which is included in cost of goods sold or selling, general and administrative expenses. As of December 31, 2020, the unamortized share-based compensation cost related to non-vested restricted stock units, net of estimated forfeitures, was $16.2 million, which is expected to be recognized over a weighted-average period of 1.2 years. We use treasury stock to provide shares of common stock in connection with vesting of the stock awards.

Note 15 — Income taxes

The following table summarizes the components of the provision for income taxes from continuing operations:

	2020	2019	2018
Current:			
Federal	$ 11,148	$ 19,374	$ (1,525)
State	9,644	8,220	1,432
Non-U.S.	35,042	23,690	29,353
Deferred:			
Federal	(9,475)	(2,041)	(5,124)
State	(13,734)	(28,277)	(5,114)
Non-U.S.	(10,694)	(143,044)	4,174
	$ 21,931	$ (122,078)	$ 23,196

At December 31, 2020, the cumulative unremitted earnings of subsidiaries outside the U.S. that are considered non-permanently reinvested and for which taxes have been provided approximated $1.7 billion. At December 31, 2020, the cumulative unremitted earnings of subsidiaries outside the U.S. that are considered permanently reinvested approximated $0.7 billion. Earnings considered permanently reinvested are expected to be reinvested indefinitely and, as a result, no additional deferred tax liability has been recognized with regard to these earnings. It is not practical to determine the deferred income tax liability on these earnings if, in the future, they are

remitted to the U.S. because the income tax liability to be incurred, if any, is dependent on circumstances existing when remittance occurs.

The following table summarizes the U.S. and non-U.S. components of income from continuing operations before taxes:

	2020	2019	2018
U.S.	$ 233,034	$ 89,021	$ 37,201
Non-U.S.	124,698	250,882	182,427
	$ 357,732	$ 339,903	$ 219,628

Reconciliations between the statutory federal income tax rate and the effective income tax rate are as follows:

	2020	2019	2018
Federal statutory rate	21.0 %	21.0 %	21.0 %
Tax effect of international items	(5.3)	(11.3)	(3.3)
Impacts of the TCJA (1)	—	—	(1.0)
Foreign Merger - Deferred Taxes (2)	—	(38.0)	—
Excess tax benefits related to share-based compensation	(4.9)	(4.5)	(7.2)
State taxes, net of federal benefit	(0.3)	(4.9)	(0.1)
Uncertain tax contingencies	(0.5)	—	(0.4)
Contingent consideration	(2.2)	3.4	5.3
Intellectual property impairment charge	(1.2)	—	(2.0)
Research and development tax credit	(1.1)	(1.1)	(1.6)
Other, net	0.6	(0.5)	(0.1)
	6.1 %	(35.9)%	10.6 %

(1) U.S. tax legislation commonly referred to as the Tax Cuts and Jobs Act (the "TCJA") was enacted on December 22, 2017. The legislation significantly changed U.S. tax law by, among other things, reducing the corporate income tax rate and imposing a one-time repatriation tax on undistributed post-1986 non-U.S. subsidiary earnings and profits. This legislation required significant one-time adjustments to our consolidated tax provision.

(2) During 2019, we recognized a discrete tax benefit of $129.0 million resulting from a non-U.S. legal entity restructuring that eliminated the requirement to provide for withholding taxes on the future repatriation of certain non-permanently reinvested earnings.

The effective income tax rate for 2020 was 6.1% compared to (35.9)% for 2019. Taxes on income from continuing operations in 2020 reflects non-taxable contingent consideration adjustments, recognized in connection with a decrease in the fair value of our contingent consideration liabilities. The effective income tax rate for 2019 reflects a tax benefit of $129.0 million resulting from a non-U.S. legal entity restructuring that eliminated the requirement to provide for withholding taxes on the future repatriation of certain non-permanently reinvested earnings. Additionally the effective tax rates for both 2020 and 2019 reflect a net excess tax benefit related to share-based compensation and a tax benefit relating to the revaluation of state deferred tax assets and liabilities due to business integrations and other changes.

We are routinely subject to examinations by various taxing authorities. In conjunction with these examinations and as a regular practice, we establish and adjust reserves with respect to its uncertain tax positions to address developments related to those positions. We realized a net benefit of $1.7 million, $0.1 million and $0.8 million in 2020, 2019 and 2018 respectively, as a result of reducing our reserves with respect to uncertain tax positions, principally due to the expiration of a number of applicable statutes of limitations.

The following table summarizes significant components of our deferred tax assets and liabilities at December 31, 2020 and 2019:

	2020	2019
Deferred tax assets:		
Tax loss and credit carryforwards	$ 180,782	$ 174,997
Lease assets	25,429	28,577
Pension	12,237	14,971
Reserves and accruals	72,931	60,799
Other	7,996	3,207
Less: valuation allowances	(155,008)	(119,233)
Total deferred tax assets	144,367	163,318
Deferred tax liabilities:		
Property, plant and equipment	25,633	23,053
Intangibles — stock acquisitions	476,150	441,079
Unremitted non-U.S. earnings	91,539	81,967
Lease liabilities	25,429	28,577
Other	2,221	22,628
Total deferred tax liabilities	620,972	597,304
Net deferred tax liability	$ (476,605)	$ (433,986)

Under the tax laws of various jurisdictions in which we operate, deductions or credits that cannot be fully utilized for tax purposes during the current year may be carried forward, subject to statutory limitations, to reduce taxable income or taxes payable in a future tax year. At December 31, 2020, the tax effect of such carryforwards approximated $180.8 million. Of this amount, $14.4 million has no expiration date, $9.1 million expires after 2020 but before the end of 2025 and $157.3 million expires after 2025. A portion of these carryforwards consists of tax losses and credits obtained by us as a result of acquisitions; the utilization of these carryforwards are subject to an annual limitation imposed by Section 382 of the Internal Revenue Code, which limits a company's ability to deduct prior net operating losses following a more than 50 percent change in ownership. It is not expected that the Section 382 limitation will prevent us ultimately from utilizing the applicable loss carryforwards. The determination of state net operating loss carryforwards is dependent upon the U.S. subsidiaries' taxable income or loss, the state's proportion of each subsidiary's taxable net income and the application of state laws, which can change from year to year and impact the amount of such carryforward.

The valuation allowance for deferred tax assets of $155.0 million and $119.2 million at December 31, 2020 and 2019, respectively, relates principally to the uncertainty of our ability to utilize certain deferred tax assets, primarily tax loss and credit carryforwards in various jurisdictions. The valuation allowance was calculated in accordance with applicable accounting standards, which require that a valuation allowance be established and maintained when it is "more likely than not" that all or a portion of deferred tax assets will not be realized.

Uncertain Tax Positions: The following table is a reconciliation of the beginning and ending balances for liabilities associated with unrecognized tax benefits for the years ended December 31, 2020, 2019 and 2018:

	2020	2019	2018
Balance at January 1	$ 7,561	$ 8,106	$ 9,336
Increase in unrecognized tax benefits related to prior years	1,286	351	—
Decrease in unrecognized tax benefits related to prior years	—	(201)	—
Unrecognized tax benefits related to the current year	—	1,237	899
Reductions in unrecognized tax benefits due to lapse of applicable statute of limitations	(1,864)	(1,881)	(1,955)
Increase (decrease) in unrecognized tax benefits due to foreign currency translation	247	(51)	(174)
Balance at December 31	$ 7,230	$ 7,561	$ 8,106

The total liabilities associated with the unrecognized tax benefits that, if recognized, would impact the effective tax rate for continuing operations, were $4.4 million at December 31, 2020.

We accrue interest and penalties associated with unrecognized tax benefits in income tax expense in the consolidated statements of income, and the corresponding liability is included in the consolidated balance sheets. The net interest expense (benefit) and penalties reflected in income from continuing operations for the year ended December 31, 2020 was $0.2 million and $(0.5) million, respectively; for the year ended December 31, 2019 was $0.2 million and $(0.1) million, respectively; and for the year ended December 31, 2018 was $0.2 million and $(0.3) million, respectively. The liabilities in the consolidated balance sheets for interest and penalties at December 31, 2020 were $0.6 million and $2.1 million, respectively, and at December 31, 2019 were $0.6 million and $2.2 million, respectively.

The taxable years for which the applicable statute of limitations remains open by major tax jurisdictions are as follows:

	Beginning	Ending
U.S.	2017	2020
Canada	2016	2020
China	2015	2020
Czech Republic	2017	2020
France	2018	2020
Germany	2011	2020
India	2002	2020
Ireland	2016	2020
Italy	2016	2020
Malaysia	2016	2020
Singapore	2016	2020

We are routinely subject to income tax examinations by various taxing authorities. As of December 31, 2020, the most significant tax examinations in process were in Ireland and Germany. The date at which this examination may be concluded and the ultimate outcome of the examination are uncertain. As a result of the uncertain outcome of this ongoing examination, future examinations or the expiration of statutes of limitation, it is reasonably possible that the related unrecognized tax benefits for tax positions taken could materially change from those recorded as liabilities at December 31, 2020. Due to the potential for resolution of certain examinations, and the expiration of various statutes of limitation, it is reasonably possible that our unrecognized tax benefits may change within the next year by a range of zero to $0.7 million.

Supplemental cash flow information

	Year Ended December 31,		
	2020	2019	2018
Income taxes paid, net of refunds	$ 77,163	$ 73,632	$ 65,605

Note 16 — Pension and other postretirement benefits

We have a number of defined benefit pension and postretirement plans covering eligible U.S. and non-U.S. employees. The defined benefit pension plans are noncontributory. The benefits under these plans are based primarily on years of service and employees' pay near retirement. Our funding policy for U.S. plans is to contribute annually, at a minimum, amounts required by applicable laws and regulations. Obligations under non-U.S. plans are systematically provided for by depositing funds with trustees or by book reserves. As of December 31, 2020, no further benefits are being accrued under the U.S. defined benefit pension plans and the other postretirement benefit plans, other than certain postretirement benefit plans covering employees subject to a collective bargaining agreement.

Teleflex and certain of our subsidiaries provide medical, dental and life insurance benefits to pensioners or their survivors. The associated plans are unfunded and approved claims are paid from our funds.

The following table provides information regarding the components of the net benefit (income) expense of the pension and postretirement benefit plans for the years ended December 31, 2020, 2019 and 2018:

	Pension			Other Benefits		
	2020	2019	2018	2020	2019	2018
Service cost	$ 1,416	$ 2,768	$ 1,500	$ —	$ 9	$ 50
Interest cost	12,827	16,000	14,816	902	1,391	1,389
Expected return on plan assets	(31,650)	(27,426)	(29,666)	—	—	—
Net amortization and deferral	7,447	7,013	6,777	(161)	(1)	136
Curtailments	—	—	—	—	—	677
Settlements	—	—	486	—	—	—
Net benefit (income) expense	$ (9,960)	$ (1,645)	$ (6,087)	$ 741	$ 1,399	$ 2,252

Net benefit (income) expense is primarily included in selling, general and administrative expenses within the consolidated statements of income.

The following table provides the weighted average assumptions for U.S. and foreign plans used in determining net benefit cost:

	Pension			Other Benefits		
	2020	2019	2018	2020	2019	2018
Discount rate	3.2 %	4.3 %	3.6 %	3.1 %	4.2 %	3.6 %
Rate of return	7.5 %	7.7 %	7.8 %			
Initial healthcare trend rate				7.0 %	7.4 %	7.8 %
Ultimate healthcare trend rate				5.0 %	5.0 %	5.0 %

The following table provides summarized information with respect to the pension and postretirement benefit plans, measured as of December 31, 2020 and 2019:

	Pension		Other Benefits	
	2020	2019	2020	2019
Benefit obligation, beginning of year	$ 470,236	$ 416,470	$ 40,042	$ 42,115
Service cost	1,416	2,768	—	9
Interest cost	12,827	16,000	902	1,391
Actuarial loss	36,726	57,525	964	1,551
Currency translation	2,273	229	—	—
Benefits paid	(21,092)	(20,350)	(5,448)	(5,090)
Medicare Part D reimbursement	—	—	119	66
Plan amendments	47	—	(4,658)	—
Administrative costs	(1,086)	(2,406)	—	—
Projected benefit obligation, end of year	501,347	470,236	31,921	40,042
Fair value of plan assets, beginning of year	423,300	362,807		
Actual return on plan assets	43,276	69,918		
Contributions	12,490	12,695		
Benefits paid	(21,092)	(20,350)		
Administrative costs	(1,086)	(2,406)		
Currency translation	738	636		
Fair value of plan assets, end of year	457,626	423,300		
Funded status, end of year	$ (43,721)	$ (46,936)	$ (31,921)	$ (40,042)

The actuarial losses for pension for the years ended December 31, 2020 and 2019 were primarily due to a decrease in the discount rate used to measure the obligation, partially offset by a change in the mortality assumptions.

The accumulated benefit obligations (ABO) and the projected benefit obligations (PBO) for plans with ABO and PBO in excess of plan assets were $481.0 million and $481.8 million, respectively, at December 31, 2020 and $451.8 million and $452.4 million respectively, at December 31, 2019. The fair value of plan assets for plans with PBO and ABO in excess of plan assets were $434.3 million and $403.0 million, respectively, at December 31, 2020 and December 31, 2019, respectively.

The following table sets forth the amounts recognized in the consolidated balance sheet with respect to the pension and postretirement plans:

	Pension		Other Benefits	
	2020	2019	2020	2019
Other assets	$ 3,703	$ 2,449	$ —	$ —
Payroll and benefit-related liabilities	(1,721)	(1,617)	(3,125)	(5,091)
Pension and postretirement benefit liabilities	(45,703)	(47,768)	(28,796)	(34,951)
Accumulated other comprehensive loss (gain)	232,540	213,989	(1,617)	1,916
	$ 188,819	$ 167,053	$ (33,538)	$ (38,126)

The following tables set forth the amounts recognized in accumulated other comprehensive income with respect to the plans:

	Pension			
	Prior Service Cost	Net (Gain) or Loss	Deferred Taxes	Accumulated Other Comprehensive Loss, Net of Tax
Balance at December 31, 2018	$ 191	$ 205,719	$ (74,429)	$ 131,481
Reclassification adjustments related to components of Net Periodic Benefit Cost recognized during the period:				
Net amortization and deferral	(18)	(6,995)	1,631	(5,382)
Amounts arising during the period:				
Actuarial changes in benefit obligation	—	15,033	(3,457)	11,576
Impact of currency translation	—	59	(15)	44
Balance at December 31, 2019	173	213,816	(76,270)	137,719
Reclassification adjustments related to components of Net Periodic Benefit Cost recognized during the period:				
Net amortization and deferral	(15)	(7,432)	1,738	(5,709)
Amounts arising during the period:				
Actuarial changes in benefit obligation	—	25,100	(5,875)	19,225
Plan amendments	47	—	(9)	38
Impact of currency translation	—	851	(241)	610
Balance at December 31, 2020	$ 205	$ 232,335	$ (80,657)	$ 151,883

	Other Benefits			
	Prior Service Cost	Net (Gain) or Loss	Deferred Taxes	Accumulated Other Comprehensive Loss, Net of Tax
Balance at December 31, 2018	$ 71	$ 293	$ (465)	$ (101)
Reclassification adjustments related to components of Net Periodic Benefit Cost recognized during the period:				
Net amortization and deferral	(64)	65	—	1
Amounts arising during the period:				
Actuarial changes in benefit obligation	—	1,551	(360)	1,191
Balance at December 31, 2019	7	1,909	(825)	1,091
Reclassification adjustments related to components of Net Periodic Benefit Cost recognized during the period:				
Net amortization and deferral	(18)	179	(37)	124
Amounts arising during the period:				
Actuarial changes in benefit obligation	—	964	(223)	741
Plan amendments	(4,658)	—	1,076	(3,582)
Balance at December 31, 2020	$ (4,669)	$ 3,052	$ (9)	$ (1,626)

The following table provides the weighted average assumptions for U.S. and foreign plans used in determining benefit obligations:

	Pension		Other Benefits	
	2020	2019	2020	2019
Discount rate	2.5 %	3.2 %	2.3 %	3.1 %
Rate of compensation increase	2.8 %	2.8 %		
Initial healthcare trend rate			6.4 %	6.6 %
Ultimate healthcare trend rate			4.5 %	5.0 %

The discount rate represents the interest rate used to determine the present value of future cash flows currently expected to be required to settle the pension and other benefit obligations. The weighted average discount rates for U.S. pension plans and other benefit plans of 2.64% and 2.29%, respectively, were established by comparing the projection of expected benefit payments to the AA Above Median yield curve as of December 31, 2020. The expected benefit payments are discounted by each corresponding discount rate on the yield curve. For payments beyond 30 years, we extend the curve assuming that the discount rate derived in year 30 is extended to the end of the plan's payment expectations. Once the present value of the string of benefit payments is established, we determine the single rate on the yield curve that, when applied to all obligations of the plan, will exactly match the previously determined present value.

As part of the evaluation of pension and other postretirement assumptions, we applied assumptions for mortality and healthcare cost trends that incorporate generational white and blue collar mortality trends. In determining its benefit obligations, we used generational tables that take into consideration increases in plan participant longevity.

Our assumption for the expected return on plan assets is primarily based on the determination of an expected return for its current portfolio. This determination is made using assumptions for return and volatility of the portfolio. Asset class assumptions are set using a combination of empirical and forward-looking analysis. To the extent historical results have been affected by unsustainable trends or events, the effects of those trends are quantified and removed. We apply a variety of models for filtering historical data and isolating the fundamental characteristics of asset classes. These models provide empirical return estimates for each asset class, which are then reviewed and combined with a qualitative assessment of long term relationships between asset classes before a return estimate is finalized. The qualitative analysis is intended to provide an additional means for addressing the effect of unrealistic or unsustainable short-term valuations or trends, resulting in return levels and behavior we believe are more likely to prevail over long periods. Effective in 2021, we changed the expected return on plan assets of the U.S. pension plans from 7.75% to 7.00% due to modifications to the investment strategy in order to gradually reduce portfolio risk. The change had no impact on the results for the year ended December 31, 2020.

The accumulated benefit obligation for all U.S. and foreign defined benefit pension plans was $500.6 million and $469.6 million for 2020 and 2019, respectively. All of the pension plans had accumulated benefit obligations in excess of their respective plan assets as of December 31, 2020 and 2019, with the exception of one foreign plan that had plan assets of $3.7 million and $2.4 million in excess of the accumulated benefit obligation as of December 31, 2020 and 2019, respectively.

Our investment objective is to achieve an enhanced long-term rate of return on plan assets, subject to a prudent level of portfolio risk, for the purpose of enhancing the availability of benefits for participants. These investments are primarily comprised of equity and fixed income mutual funds. Our other investments are largely comprised of a hedge fund of funds and a structured credit fund. The equity funds are diversified in terms of domestic and international equity securities, as well as small, middle and large capitalization stocks. Our target allocation percentage is as follows: equity securities (41%); fixed-income securities (54%) and other securities (5%). Equity funds are held for their expected return over inflation. Fixed-income funds are held for diversification relative to equities and as a partial hedge of interest rate risk with respect to plan liabilities. The other investments are held to further diversify assets within the plans and are designed to provide a mix of equity and bond like return with a bond like risk profile. The plans may also hold cash to meet liquidity requirements. Actual performance may not be consistent with the respective investment strategies. Investment risks and returns are measured and monitored on an ongoing basis through annual liability measurements and investment portfolio reviews to determine whether the asset allocation targets continue to represent an appropriate balance of expected risk and reward.

The following table provides the fair values of the pension plan assets at December 31, 2020 by asset category:

	Fair Value Measurements			
Asset Category (a)	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash	$ 582	$ 582	—	—
Money market funds	12	12	—	—
Equity securities:				
Managed volatility (b)	85,974	85,974	—	—
U.S. small/mid-cap equity (c)	11,780	11,780	—	—
World equity (excluding U.S.) (d)	59,467	59,467	—	—
Common equity securities – Teleflex Incorporated	29,592	29,592	—	—
Fixed income securities:				
Intermediate duration fund (e)	63,376	63,376	—	—
Long duration bond fund (f)	98,996	98,996	—	—
Corporate bond fund (g)	13,469	13,469	—	—
Emerging markets debt fund (i)	11,412	11,412	—	—
Corporate, government and foreign bonds	35,582	35,582	—	—
Asset backed – home loans	261	—	$ 261	—
Other types of investments:				
Multi asset funds (j)	8,890	4,057	4,833	—
Contract with insurance company (k)	10,485	—	—	$ 10,485
Other	4	—	—	4
Total investments at fair value	$ 429,882	$ 414,299	$ 5,094	$ 10,489
Investments measured at net asset value (l)	27,744			
Total	$ 457,626			

The following table provides the fair values of the pension plan assets at December 31, 2019 by asset category:

	Fair Value Measurements			
Asset Category (a)	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash	$ 650	$ 650	—	—
Money market funds	5	5	—	—
Equity securities:				
Managed volatility (b)	72,334	72,334	—	—
U.S. small/mid-cap equity (c)	10,014	10,014	—	—
World equity (excluding U.S.) (d)	48,285	48,285	—	—
Common equity securities – Teleflex Incorporated	38,359	38,359	—	—
Fixed income securities:				
Intermediate duration fund (e)	38,500	38,500	—	—
Long duration bond fund (f)	107,143	107,143	—	—
Corporate bond fund (g)	13,107	13,107	—	—
Global credit fund (h)	929	929	—	—
Emerging markets debt fund (i)	9,974	9,974	—	—
Corporate, government and foreign bonds	29,714	29,714	—	—
Asset backed – home loans	316	—	$ 316	—
Other types of investments:				
Multi asset funds (j)	8,246	4,759	3,487	—
Contract with insurance company (k)	9,849	—	—	$ 9,849
Other	5	—	—	5
Total investments at fair value	$ 387,430	$ 373,773	$ 3,803	$ 9,854
Investments measured at Net asset value (l)	35,870			
Total	$ 423,300			

a. Information on asset categories described in notes (b)-(k) is derived from prospectuses and other material provided by the respective funds comprising the respective asset categories.

b. This category comprises mutual funds that invest in securities of U.S. and non-U.S. companies of all capitalization ranges that exhibit relatively low volatility.

c. This category comprises a mutual fund that invests at least 80% of its net assets in equity securities of small and mid-sized companies. The fund invests in common stocks or exchange traded funds holding common stock of U.S. companies with market capitalizations in the range of companies in the Russell 2500 Index.

d. This category comprises a mutual fund that invests at least 80% of its net assets in equity securities of foreign companies. These securities may include common stocks, preferred stocks, warrants, exchange traded funds based on an international equity index, derivative instruments whose value is based on an international equity index and derivative instruments whose value is based on an underlying equity security or a basket of equity securities. The fund invests in securities of foreign issuers located in developed and emerging market countries. However, the fund will not invest more than 35% of its assets in the common stocks or other equity securities of issuers located in emerging market countries.

e. This category comprises a mutual fund that invests in instruments or derivatives having economic characteristics similar to fixed income securities. The fund invests in investment grade fixed income instruments, including U.S. and foreign corporate obligations, fixed income securities issued by sovereigns or agencies in both developed and emerging foreign markets, debt obligations issued by governments or other municipalities, and securities issued or guaranteed by the U.S. Government and its agencies. The fund will seek to maintain an effective average duration between three and ten years, and uses derivative instruments, including interest rate swap agreements and credit default swaps, for the purpose of managing the overall duration and yield curve exposure of the Fund's portfolio of fixed income securities.

f. This category comprises a mutual fund that invests in instruments or derivatives having economic characteristics similar to fixed income securities. The fund invests in investment grade fixed income instruments, including securities issued or guaranteed by the U.S. Government and its agencies and instrumentalities, corporate bonds, asset-backed securities, exchange traded funds, mortgage-backed securities and collateralized mortgage-backed securities. The fund invests primarily in long duration government and corporate fixed income securities, and uses derivative instruments, including

interest rate swap agreements and Treasury futures contracts, for the purpose of managing the overall duration and yield curve exposure of the Fund's portfolio of fixed income securities.

g. This category comprises funds that invest primarily in higher-yielding fixed income securities, including corporate bonds and debentures, convertible and preferred securities and zero coupon obligations.

h. This category comprises a fund that invests primarily in a range of debt securities, including those issued by governments, institutions, or companies from a number of countries.

i. This category comprises a mutual fund that invests at least 80% of its net assets in fixed income securities of emerging market issuers, primarily in U.S. dollar-denominated debt of foreign governments, government-related and corporate issuers in emerging market countries and entities organized to restructure the debt of those issuers.

j. This category comprises funds that may invest in equities, bonds, or derivatives.

k. This category comprises the asset established out of an agreement to purchase a bulk-annuity policy from an insurer to fully cover the liabilities for members of the pension plan. The asset value is based on the fair value of the contract as determined by the insurance company using inputs that are not observable.

l. This category comprises pooled institutional investments, primarily collective investment trusts. These funds are not listed on an exchange or traded in an active market and these investments are valued using their net asset value, which is generally based on the underlying asset values of the pooled investments held in the trusts. This category comprises the following funds:

- a fund that invests primarily in collateralized debt obligations and other structured credit vehicles and may include fixed income securities, loan participations, credit-linked notes, medium-term notes, pooled investment vehicles and derivative instruments.
- a hedge fund that invests in various other hedge funds.
- funds that invest in underlying funds that acquire, manage, and dispose of real estate properties, with a focus on properties in the U.S. and the UK markets.

Our contributions to U.S. and foreign pension plans during 2021 are expected to be approximately $12.7 million. Contributions to postretirement healthcare plans during 2021 are expected to be approximately $3.1 million.

The following table provides information about the expected benefit payments under its U.S. and foreign plans for each of the five succeeding years and the aggregate of the five years thereafter, net of the annual average Medicare Part D subsidy of approximately $0.1 million:

	Pension	Other Benefits
2021	$ 22,527	$ 3,123
2022	22,997	2,996
2023	23,433	2,864
2024	24,018	2,583
2025	24,354	2,481
Years 2026 — 2030	128,246	8,622

We maintain a number of defined contribution savings plans covering eligible U.S. and non-U.S. employees. We partially match employee contributions. Costs related to these plans were $21.7 million, $17.5 million and $15.6 million for 2020, 2019 and 2018, respectively.

Note 17 — Commitments and contingent liabilities

Environmental: We are subject to contingencies as a result of environmental laws and regulations that in the future may require us to take further action to correct the effects on the environment of prior disposal practices or releases of chemical or petroleum substances by us or other parties. Much of this liability results from the U.S. Comprehensive Environmental Response, Compensation and Liability Act, often referred to as Superfund, the U.S. Resource Conservation and Recovery Act and similar state laws. These laws require us to undertake certain investigative and remedial activities at sites where we conduct or once conducted operations or at sites where Company-generated waste was disposed.

Remediation activities vary substantially in duration and cost from site to site. The nature of these activities, and their associated costs, depend on the mix of unique site characteristics, evolving remediation technologies, the regulatory agencies involved and their enforcement policies, as well as the presence or absence of other potentially responsible parties. At December 31, 2020 and 2019, we have recorded $1.6 million and $0.7 million, respectively, in accrued liabilities and $5.2 million and $6.2 million, respectively in other liabilities relating to these matters. Considerable uncertainty exists with respect to these liabilities, and if adverse changes in circumstances occur, potential liability may exceed the amount accrued as of December 31, 2020. The time frame over which the accrued amounts may be paid out, based on past history, is estimated to be 10-15 years.

Litigation: We are a party to various lawsuits and claims arising in the normal course of business. These lawsuits and claims include actions involving product liability, intellectual property, employment, environmental and other matters. As of December 31, 2020 and 2019, we have recorded accrued liabilities of $0.3 million and $0.4 million, respectively, in connection with such contingencies, representing our best estimate of the cost within the range of estimated possible losses that will be incurred to resolve these matters.

On February 17, 2021, representatives of the selling shareholders from whom we acquired Essential Medical, Inc., filed suit on behalf of such shareholders in the Court of Chancery of the State of Delaware alleging, among other things, that we breached the merger agreement relating to the acquisition in connection with activities relating to the achievement of revenue-based milestone goals under the agreement. The suit seeks money damages in the amount of $66.9 million plus interest. We are assessing our response to this action, but believe that the claims lack merit, and intend to defend ourselves vigorously.

Based on information currently available, advice of counsel, established reserves and other resources, we do not believe that the outcome of any outstanding litigation and claims is likely to be, individually or in the aggregate, material to our business, financial condition, results of operations or liquidity. However, in the event of unexpected further developments, it is possible that the ultimate resolution of these matters, or other similar matters, if unfavorable, may be materially adverse to our business, financial condition, results of operations or liquidity. Legal costs such as outside counsel fees and expenses are charged to selling, general and administrative expenses in the period incurred.

Other: We have been subject to an ongoing investigation by the Chinese authorities related to a technical error regarding our country of origin designation for certain products we imported into China. The error would have resulted in increased tariff payments in late 2018 through 2020. We have accrued the estimated increase in tariffs as well as related interest expense for the periods in question. In addition to the tariffs and related interest, the Chinese authorities may impose a penalty for the unpaid tariffs. We believe the range of penalties is between 30% and 200% of the related unpaid tariff or between $3.0 million and $20.3 million. We do not have a best estimate of the penalties that may be assessed at this time. Accordingly, as prescribed by GAAP, we have recorded $3.0 million as low end of the range described above.

In June 2020, we began producing documents and information in response to a Civil Investigative Demand (a “CID”) received in March 2020 by one of our subsidiaries, NeoTract, from the U.S. Department of Justice through the United States Attorney’s Office for the Northern District of Georgia (collectively, the “DOJ”). The CID relates to the DOJ’s investigation of a single NeoTract customer, requires the production of documents and information pertaining to communications with, and certain rebate programs offered to, that customer and pertains to communications and activities occurring both prior to our acquisition of NeoTract in October 2017 and thereafter. In July 2020, the DOJ advised us that it had opened an investigation under the civil False Claims Act, 31 U.S.C. §3729, with respect to NeoTract’s operations broadly in addition to the customer investigation.

We maintain policies and procedures to promote compliance with the Anti-Kickback Statute, False Claims Acts and other applicable laws and regulations and intend to provide information sought by the government. We cannot at this time reasonably predict, however, the ultimate scope or outcome of this matter, including whether an investigation may raise other compliance issues of interest, including those beyond the scope described above or how any such issues might be resolved. We also cannot at this time reasonably estimate any potential liabilities or penalty, if any, that may arise from this matter, which could have a material adverse effect on our results of operations and financial condition.

Note 18 — Business segments and other information

An operating segment is a component (a) that engages in business activities from which it may earn revenues and incur expenses, (b) whose operating results are regularly reviewed by the chief operating decision maker to make decisions about resources to be allocated to the segment and to assess its performance, and (c) for which discrete financial information is available. We do not evaluate our operating segments using discrete asset information.

We have four reportable segments: Americas, EMEA (Europe, the Middle East and Africa), Asia (Asia Pacific) and OEM (Original Equipment Manufacturer and Development Services).

Our reportable segments, other than the OEM segment, design, manufacture and distribute medical devices primarily used in critical care and surgical applications and generally serve two end-markets: hospitals and healthcare providers, and home health. The products of these segments are most widely used in the acute care setting for a range of diagnostic and therapeutic procedures and in general and specialty surgical applications. The OEM segment designs, manufactures and supplies devices and instruments for other medical device manufacturers.

The following tables present our segment results for the years ended December 31, 2020, 2019 and 2018:

	Year Ended December 31,		
	2020	2019	2018
Americas	$ 1,465,035	$ 1,492,274	$ 1,351,699
EMEA	584,859	588,043	603,813
Asia	267,016	294,328	286,895
OEM	220,246	220,717	205,976
Net revenues	$ 2,537,156	$ 2,595,362	$ 2,448,383

	Year Ended December 31,		
	2020	2019	2018
Americas	$ 401,391	$ 319,933	$ 255,798
EMEA	81,348	94,424	106,090
Asia	51,238	73,090	78,135
OEM	44,852	57,994	50,294
Total segment operating profit (1)	578,829	545,441	490,317
Unallocated expenses (2)	(155,761)	(118,187)	(168,613)
Income from continuing operations before interest, loss on extinguishment of debt and taxes	$ 423,068	$ 427,254	$ 321,704

(1) Segment operating profit includes segment net revenues from external customers reduced by its standard cost of goods sold, adjusted for fixed manufacturing cost absorption variances, selling, general and administrative expenses, research and development expenses and an allocation of corporate expenses. Corporate expenses are allocated among the segments in proportion to the respective amounts of one of several items (such as sales, numbers of employees, and amount of time spent), depending on the category of expense involved.

(2) Unallocated expenses primarily include manufacturing variances, with the exception of fixed manufacturing cost absorption variances, restructuring and impairment charges and gain on sale of assets.

	Year Ended December 31,		
	2020	2019	2018
Americas	$ 151,111	$ 153,419	$ 146,016
EMEA	47,012	44,328	47,171
Asia	13,594	14,072	12,917
OEM	15,535	6,550	8,610
Consolidated depreciation and amortization	$ 227,252	$ 218,369	$ 214,714

Geographic data

The following tables provide total net revenues and total net property, plant and equipment by geographic region for the years ended and as of December 31, 2020, 2019 and 2018:

	Year Ended December 31,		
	2020	2019	2018
Net revenues (based on selling location):			
U.S.	$ 1,567,144	$ 1,606,248	$ 1,449,426
Europe	646,577	652,069	671,264
Asia Pacific	230,267	241,278	234,090
All other	93,168	95,767	93,603
	$ 2,537,156	$ 2,595,362	$ 2,448,383
Net property, plant and equipment:			
U.S.	$ 234,186	$ 228,173	$ 258,415
Malaysia	71,760	53,406	51,952
Ireland	52,373	40,151	41,223
All other	115,593	108,989	81,176
	$ 473,912	$ 430,719	$ 432,766

QUARTERLY DATA (UNAUDITED)

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
	(Dollars in thousands, except per share)			
2020				
Net revenues	$ 630,642	$ 567,034	$ 628,301	$ 711,179
Gross profit	333,624	278,372	329,324	383,554
Income from continuing operations before interest,loss on extinguishment of debt and taxes	157,086	38,810	132,092	95,080
Income from continuing operations	131,152	11,443	116,605	76,601
(Loss) income from discontinued operations	(2)	13	(18)	(470)
Net income	131,150	11,456	116,587	76,131
Earnings per share — basic[1]:				
Income from continuing operations	$ 2.83	$ 0.25	$ 2.51	$ 1.64
Income from discontinued operations	—	—	—	(0.01)
Net income	$ 2.83	$ 0.25	$ 2.51	$ 1.63
Earnings per share — diluted[1]:				
Income from continuing operations	$ 2.78	$ 0.24	$ 2.46	$ 1.62
Income from discontinued operations	—	—	—	(0.01)
Net income	$ 2.78	$ 0.24	$ 2.46	$ 1.61
2019				
Net revenues	$ 613,584	$ 652,507	$ 648,319	$ 680,952
Gross profit[2]	323,970	352,238	355,075	377,722
Income from continuing operations before interest,loss on extinguishment of debt and taxes	75,243	107,458	117,621	126,932
Income from continuing operations	41,918	83,328	228,929	107,806
(Loss) income from discontinued operations	(1,021)	47	—	459
Net income	40,897	83,375	228,929	108,265
Earnings per share — basic[1]:				
Income from continuing operations	$ 0.91	$ 1.80	$ 4.95	$ 2.33
(Loss) income from discontinued operations	(0.02)	0.01	—	0.01
Net income	$ 0.89	$ 1.81	$ 4.95	$ 2.34
Earnings per share — diluted[1]:				
Income from continuing operations	$ 0.89	$ 1.77	$ 4.85	$ 2.28
(Loss) income from discontinued operations	(0.02)	—	—	0.01
Net income	$ 0.87	$ 1.77	$ 4.85	$ 2.29

(1) Each quarter is calculated as a discrete period; the sum of the four quarters may not equal the calculated full year amount.

(2) For the three months ended March 31, 2019, June 30, 2019, September 29, 2019, and December 31, 2019 we reclassified intangible asset amortization expense of $20.8 million, $20.7 million, $20.6 million and $20.5 million, respectively, from selling, general and administrative expenses to cost of goods sold.

TELEFLEX INCORPORATED
SCHEDULE II — VALUATION AND QUALIFYING ACCOUNTS
(Dollars in thousands)

ALLOWANCE FOR DOUBTFUL ACCOUNTS

	Balance at Beginning of Year	Additions Charged to Income	Accounts Receivable Write-offs	Translation and Other	Balance at End of Year
December 31, 2020	$ 9,055	$ 3,798	$ (1,336)	$ 1,358	$ 12,875
December 31, 2019	$ 9,348	$ 1,680	$ (1,739)	$ (234)	$ 9,055
December 31, 2018	$ 10,255	$ 2,521	$ (2,601)	$ (827)	$ 9,348

DEFERRED TAX ASSET VALUATION ALLOWANCE

	Balance at Beginning of Year	Additions Charged to Expense	Reductions Credited to Expense	Translation and Other	Balance at End of Year
December 31, 2020	$ 119,233	$ 30,640	$ (59)	$ 5,194	$ 155,008
December 31, 2019	$ 143,971	$ 31,564	$ (55,797)	$ (505)	$ 119,233
December 31, 2018	$ 104,799	$ 43,361	$ (2,871)	$ (1,318)	$ 143,971

TELEFLEX INCORPORATED
NON-GAAP RECONCILIATIONS

ADJUSTED EARNINGS PER SHARE RECONCILIATION
(dollars in millions, except per share)

ADJUSTED INCOME RECONCILIATION	2017	2018	2019	2020
Amounts attributable to common shareholders:	**$ 155.3**	**$ 196.4**	**$ 462.0**	**$ 335.8**
income (loss) from continuing operations, net of tax	**$ 3.33**	**$ 4.20**	**$ 9.81**	**$ 7.10**
Restructuring, restructuring related and impairment items	$ 20.3	$ 82.3	$ 33.4	$ 62.3
	$ 0.44	$ 1.76	$ 0.71	$ 1.32
Acquisition, integration and divestiture related items	$ 36.8	$ 59.5	$ 52.1	$ (28.0)
	$ 0.79	$ 1.27	$ 1.11	$ (0.59)
Other items	$ 4.1	$ 2.8	$ 8.2	$ 0.8
	$ 0.09	$ 0.06	$ 0.17	$ 0.02
MDR	$ 0.0	$ 0.0	$ 3.2	$ 11.3
	$ 0.0	$ 0.0	$ 0.07	$ 0.24
Intangible amortization expense, net of tax	$ 71.1	$ 122.9	$ 121.9	$ 134.3
	$ 1.52	$ 2.63	$ 2.59	$ 2.84
Amortization of debt discount on convertible notes, net of tax	$ 0.6	$ 0.0	$ 0.0	$ 0.0
	$ 0.01	$ 0.0	$ 0.0	$ 0.0
Tax Adjustment, net of tax	$ 101.4	$ (0.6)	$ (155.8)	$ (12.0)
	$ 2.17	$ (0.01)	$ (3.31)	$ (0.25)
Shares due to Teleflex under note hedge	$ 0.0	$ 0.0	$ 0.0	$ 0.0
	$ 0.05	$ 0.0	$ 0.0	$ 0.0
Adjusted income from continuing operations, net of tax	**$ 389.5**	**$ 463.5**	**$ 525.0**	**$ 504.5**
Adjusted earnings per share from continuing operations	**$ 8.40**	**$ 9.90**	**$ 11.15**	**$ 10.67**

Note: GAAP results represent amounts per Form 10K for the year referenced.

BOARD OF DIRECTORS

Listed in Order of Tenure

George Babich, Jr.*1
Retired President and
Chief Executive Officer
Checkpoint Systems, Inc.
Lead Director
Compensation Committee Chair

Stephen K. Klasko, M.D.*2
President and CEO
Thomas Jefferson University
and Jefferson Health

Stuart A. Randle*1, 2
Retired Chief Executive Officer
Ivenix, Inc.
Nominating and Governance
Commitee Chair

Candace H. Duncan*3
Retired Managing Partner
KPMG LLP
Audit Committee Chair

Gretchen R. Haggerty*3
Retired Executive Vice President
and Chief Financial Officer
United States Steel Corp.

Richard A. Packer*2
Primary Executive Director
Asahi Kasei

Andrew A. Krakauer*1
Retired Chief Executive Officer
Cantel Medical Corp.

Liam J. Kelly
Chairman, President and
Chief Executive Officer
Teleflex Incorporated

John C. Heinmiller*3
Retired Executive Vice President
and Chief Financial Officer
St. Jude Medical

**Board Committees*
1 Compensation
2 Nominating and Governance
3 Audit

EXECUTIVE LEADERSHIP

Liam J. Kelly
Chairman, President and
Chief Executive Officer

Thomas E. Powell
Executive Vice President and
Chief Financial Officer

Petro Barchuk
Vice President,
Financial Planning and Analysis

Tyler Binney
President and General Manager,
Interventional Urology

Karen Boylan
Corporate Vice President,
Global Strategic Projects

Gwen Chapman
Corporate Vice President and
Chief Compliance Officer

John Deren
Vice President and
Chief Accounting Officer

Michael DiGiuseppe
Vice President and
General Manager,
Respiratory Division and
Corporate Accounts

Timothy Duffy
Vice President and
Chief Information Officer

Jake Elguicze
Treasurer and Vice President,
Investor Relations

James Ferguson
President and General Manager,
Surgical and Latin America

Michelle Fox
Corporate Vice President and
Chief Medical Officer

Sunny Goh
President, APAC

Marie Hendrixson
Vice President,
Internal Audit

Cameron Hicks
Corporate Vice President,
Human Resources and
Communications

Matthew James
President, EMEA
and Global Urology

Michael Kryukov
Vice President, Tax

Bert Lane
Vice President,
Global Logistics and Distribution

Daniel V. Logue
Corporate Vice President,
General Counsel and Secretary

Jake Newman
Group President,
Interventional and Vascular

Daniel Price
Vice President,
Commercial Finance

Kevin Robinson
Vice President and General
Manager, Anesthesia and
Emergency Medicine

Greg Stotts
Vice President and
General Manager, OEM

Ed Weidner
Vice President, Customer
Experience and Commercial
Operations

Jay White
Corporate Vice President and
President, Global Commercial

Mario Wijker
Corporate Vice President, Quality
Assurance and Regulatory Affairs

James Winters
Corporate Vice President,
Manufacturing and Supply Chain

INVESTOR INFORMATION

Teleflex Incorporated
550 East Swedesford Road
Wayne, Pennsylvania 19087

Investor Information
Market and ownership
of common stock:
New York Stock Exchange
Trading symbol: TFX

Investor Relations
Investors, analysts, and others seeking information about the company should contact:

Jake Elguicze
Teleflex Incorporated
(610) 948-2836
jake.elguicze@teleflex.com
www.teleflex.com

A copy of the Annual Report as filed with the Securities and Exchange Commission on Form 10-K, interim reports on Form 10-Q, and current reports on Form 8-K can be accessed on the Investor page of the company's website or can be mailed upon request.

Transfer Agent and Registrar
Questions concerning transfer requirements, lost certificates, dividends, duplicate mailings, change of address, or other stockholder matters should be addressed to:

American Stock Transfer
& Trust Company
6201 15th Ave
Brooklyn, New York 11219
(800) 937-5449 (toll free)

Dividend Reinvestment
Teleflex Incorporated offers a dividend reinvestment and direct stock purchase and sale plan. For enrollment information, please contact American Stock Transfer & Trust Company, Dividend Reinvestment Department, 1-877-842-1572 (toll free).

Code of Ethics and Business Guidelines
All Teleflex businesses around the world share a common Code of Ethics, which guides the way we conduct business. The Code is available on the Teleflex website at www.teleflex.com.

Certifications
The certifications by the Chief Executive Officer and the Chief Financial Officer of Teleflex Incorporated required under Section 302 of the Sarbanes-Oxley Act of 2002 have been filed as exhibits to Teleflex Incorporated's 2020 Annual Report on Form 10-K. In addition, in May 2020, the Chief Executive Officer of Teleflex Incorporated certified to the New York Stock Exchange ("NYSE") that he is not aware of any violation by the Company of NYSE corporate governance listing standards, as required by Section 303A.12(a) of the NYSE Corporate Governance Rules.

Independent Registered Public Accounting Firm
PricewaterhouseCoopers LLP
Philadelphia, Pennsylvania

Forward-Looking Statements
In accordance with the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, the company notes that certain statements contained in this report are forward-looking in nature. These forward-looking statements include matters such as business strategies, market potential, product deployment, future financial performance, and other future-oriented matters. Such matters inherently involve many risks and uncertainties. For additional information, please refer to the company's Securities and Exchange Commission filings and the Form 10-K included in the Annual Report.

Teleflex®

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