AtriCure

ESG Report 2021

Contents

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About this Report

This report contains disclosures that are aligned with the Sustainability Accounting Standards Board (SASB) standards for the Medical Equipment and Supplies Industry, which are detailed in our SASB Index.

Data included in this report pertains to AtriCure, Inc. and its consolidated subsidiaries. Environmental, health and safety data are from our manufacturing and research and development facilities. All financial information is reported in U.S. dollars, and unless otherwise stated, this reporting covers fiscal years 2018, 2019 and 2020, as well as some key activities that occurred in 2021.

This report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, which are subject to risks and uncertainties, including risks related to competitive factors; difficulties and delays inherent in the development, manufacturing, marketing and sale of medical products; government regulation and general economic conditions; and other risks and uncertainties described in our periodic reports. These reports are on file with the U.S. Securities and Exchange Commission, including our most recent Annual Report on Form 10-K. In some cases, you can identify the forward-looking statements by words or expressions, such as “anticipate,” “believe,” “could,” “estimate,” “expect,” “forecast,” “intend,” “looking ahead,” “may,” “plan,” “possible,” “potential,” “project,” “should,” “going to,” “will,” and similar words or expressions, the negative or plural of such words or expressions, and other comparable terminology. Actual results may differ materially from anticipated results. We do not update our forward-looking statements or any of the information contained in this report, including updates to reflect future events or circumstances.

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Message from Our CEO

To Our Shareholders, and Patients, People and Partners Worldwide,

AtriCure has always been guided by a fundamental principle to do what is right for our people, communities, healthcare providers, suppliers and the patients who are at the heart of our mission. That commitment has never wavered, even over the last two years when the world has faced tremendous challenges.

In keeping with that, I am honored to share with you AtriCure's inaugural Environmental, Social and Governance Report, which details the many ways our commitment to do what is right extends far beyond our physical workplaces. We know that the sustainability of our business relies not only on each other, but also on the wellbeing of the people and communities around us. As such, we are committed to making a positive difference as we continue to drive business value.

This begins with the unwavering integrity and core values we embody while earning our reputation as a vital partner to leading electrophysiologists and cardiothoracic surgeons around the world. Our people consider, above all else, the human impact of what we do each day as we pursue better outcomes for patients. Through continuous innovative research and development, we bring best-in-class products to market. Our clinical science drives the advancement and adoption of new approaches to care, including our Hybrid AF™ Therapy that gained FDA approval in 2021. And to ensure that the safest and most effective therapies are helping patients, we train physicians continuously through robust digital, in-person and mobile training labs and courses. These pillars of Innovation, Education and Clinical Science are the guideposts of our mission. We have remained focused, even as healthcare systems were upended throughout the COVID-19 pandemic. I am immensely proud of how we created opportunities to support physicians, healthcare facilities and communities more than ever, while consistently upholding high standards of responsible corporate citizenship.

A few of our most recent accomplishments to highlight:

Our Board of Directors elected two new members in June 2021, bringing our Board to gender parity and a composition that better aligns with the diversity of the patients, people and partners we collaborate with and serve. We are proud to achieve this level of diversity.

We reaffirmed our commitment to cultivating a safe and inclusive environment, and we added resources to focus on diversity, equity and inclusion (DE&I), and to educate and promote diversity and inclusion.

We encouraged our people to prioritize the health of our communities by offering their time and talent to address local needs. We facilitated support for our overworked healthcare system by temporarily increasing Volunteer Time Off (VTO) so our skilled healthcare employees could work on the front lines to support direct patient care.

We used our manufacturing supply chain and expertise, along with thousands of volunteer hours from our employees, to build safety gear for community first responders.

We launched mobile labs to deliver training onsite to physicians and allied health professionals while access to healthcare facilities was restricted.

As we look at the opportunities ahead, we embrace the responsibility of operating sustainably and know that drives business value. I am proud of the foundation at AtriCure, and I am eager to identify additional initiatives to move us forward on every front. I speak for the entire leadership team when I say that we are committed to making a difference as we pursue our mission to reduce the global Afib epidemic, improve post-operative pain and heal the lives of those affected.

Regards,

Michael H. Carrel
President & CEO — AtriCure

Our History

Since AtriCure's founding more than two decades ago, we have been committed to helping patients live longer, healthier lives.

While pursuing this purpose, we have earned a loyal reputation among electrophysiologists and cardiothoracic surgeons around the globe as a leading provider of best-in-class solutions for the treatment of Atrial Fibrillation (Afib) and related conditions. Our innovative devices and therapies treat the most complex cases of Afib, oftentimes after a person has endured failed treatments and suffered for a year or longer with debilitating symptoms. In addition to an Afib focus, our pain management therapy, Cryo Nerve Block, can improve the recovery experience of thoracic surgery patients by reducing the severe pain that can often leave patients unable to walk or perform normal functions for days or weeks after surgery.

Our roots date to the early 1990s, when Ohio entrepreneur and engineer Michael Hooven built a prototype for bipolar electrosurgical scissors that could deliver energy to precise areas of tissue. In 2000, AtriCure was established to continue the pursuit of this device. Early investments in AtriCure fueled innovation for treating patients with Afib in a surgical setting, and ultimately led to the development of the Isolator® Synergy System. We then completed a clinical trial, ABLATE, to improve outcomes with these devices. In 2011, our Isolator Synergy Clamp became the *first* and *only* surgical ablation device with U.S. Food and Drug Administration (FDA) approval for the treatment of Afib and the *only* device — either catheter or surgical — to be approved for the treatment of persistent and long-standing persistent Afib.

Over the last decade, we have invested in innovation, clinical science and education to passionately focus on our mission. Our franchises have expanded into Left Atrial Appendage Management (LAAM) and pain management, and we have continued to improve our existing products, develop new therapies, advance clinical science to discover treatments and educate physicians. We begin this next decade in our history with a second landmark FDA approval for the EPi-Sense System to treat patients diagnosed with long-standing persistent Afib. This is the first and only FDA approval of a *minimally invasive* ablation therapy, significantly expanding treatment options for long-standing persistent Afib patients.

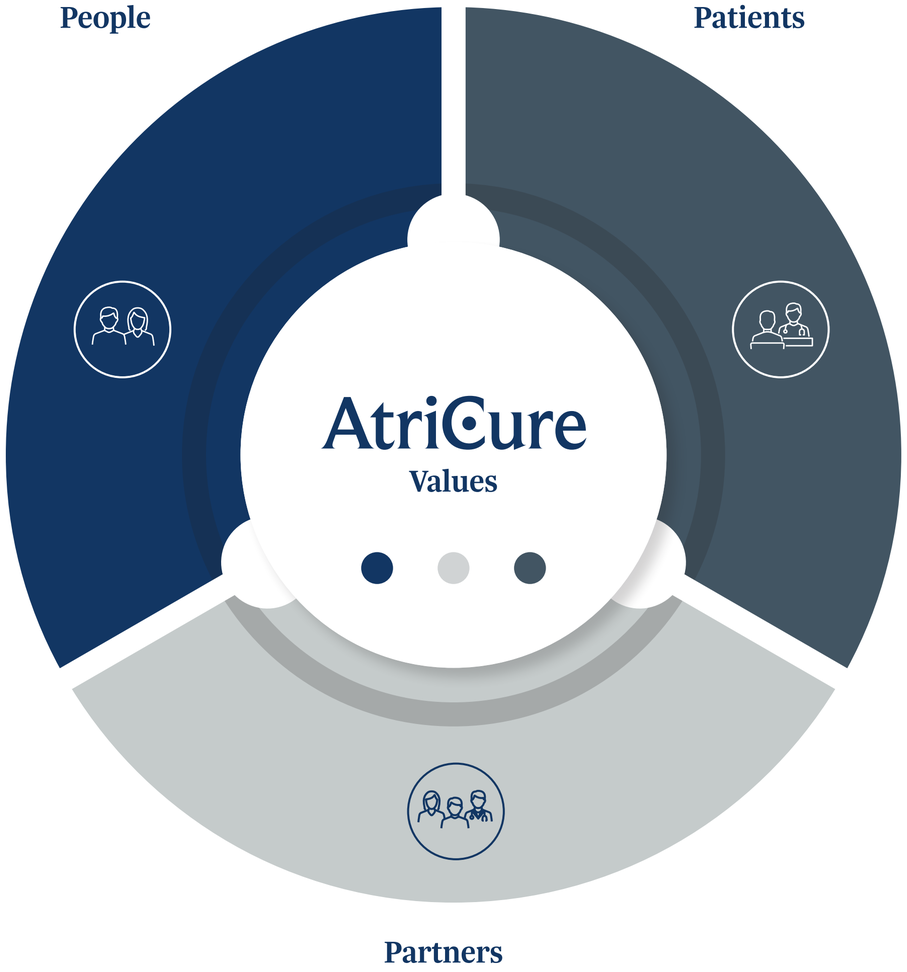
We now employ more than 875 talented team members globally, sell products in approximately 50 countries, and have trained more than 2,500 healthcare partners to use our products safely and effectively.

PICTURE SHOWN:
Dr. James L. Cox — Developer of the Cox-Maze Procedure

Key Events in AtriCure History

2000	AtriCure established
2002	AtriCure received its first CE Mark approval, marking the first step to expanding international presence
2003	First commercial sale that included the Bipolar Ablation Clamp
2004	First international sale
2005	AtriCure completed initial public offering and listed shares on NASDAQ AtriCure opens its European office in the Netherlands
2007	AtriCure acquired the Frigitronics® CCS-200 product line from CooperSurgical, Inc. and entered the cryosurgical market
2010	AtriCure entered the left atrial appendage market with release of AtriClip Left Atrial Appendage (LAA) Exclusion System
2011	Isolator® Synergy Ablation System approved by FDA for treatment of persistent or long-standing persistent Afib concomitant to open heart procedures
2012	25th Anniversary of the Cox-Maze Procedure Maze IV Training Program initiated Over 100,000 ablations performed
2013	Established Professional Education Program and expanded the Maze IV Training Program to Europe AtriCure acquired Endoscopic Technologies, Inc. (Estech)
2014	Minnetonka (Minneapolis) office opened
2015	AtriCure acquired nContact Surgical, Inc., which had initiated the CONVERGE clinical trial Dr. James L. Cox American Association for Thoracic Surgery (AATS) Fellowship Training Program established New headquarters opened in Mason, Ohio, near Cincinnati 200,000 ablations performed and 50,000 AtriClip devices sold
2016	The Society of Thoracic Surgeons (STS) 2017 Clinical Practice Guidelines recommend Afib ablation treatment
2017	Heart Rhythm Society (HRS) provide Class I recommendation
2019	First national Fellows Concomitant Ablation Training Course AtriCure acquired SentreHEART, Inc., which had initiated the aMAZE™ clinical trial STS endorsed AtriCure's Advanced Ablation Courses in the United States Over 350,000 ablations performed and surpassed 200,000 AtriClip devices sold worldwide
2021	EPi-Sense® Guided Coagulation System approved by FDA for treatment of long-standing persistent Afib AtriCure surpasses one million devices produced

Our Values



Mission

We are passionately focused on reducing the global Afib epidemic and healing the lives of those affected.

Values

We work to heal the lives of Patients, empower our People and collaborate with our Partners to reduce the burden of Afib worldwide.

People

Our people act with unwavering integrity and transparency in all we do. While honoring the dignity of each person, we foster collaboration to achieve excellence across all areas. We sustain a humble culture of gratitude for each other and the good that we can bring to the world.

Patients

Our primary responsibility is to put patients first. We lead rigorous clinical science to determine the safest, most effective approaches and treatments. Our commitment to education generates consistent, predictable practices and standards of care. We undertake relentless innovation to reveal new ideas that improve the experience of providers and supports the care they deliver to each patient.

Partners

We are committed to delivering the highest quality and most efficient solution to benefit our partners, including care providers, customers and shareholders. We strive to understand their needs and to offer the products, services and business value that meet those needs.

Our Approach to Environmental, Social and Governance (“ESG”) Issues

Our focus on corporate responsibility and sustainability complements our core values: to heal the lives of **Patients**, empower our **People** and collaborate with our **Partners**. Our efforts are always in service of our mission to help our patients receive the best treatment options to offer renewed health and quality of life. As we have grown in scale and complexity, we have remained committed to our values. Our success has been built upon:

- ***Enabling growth through collaboration, empowerment and accountability***
- ***Demanding integrity of ourselves, always***
- ***Maintaining a safe and hospitable workplace***
- ***Being good corporate citizens in the communities in which we work and live***
- ***Committing to performance excellence in all that we do***

This inaugural ESG report marks the latest step on our ESG journey, recognizing the foundation we have built and acknowledging the discipline required to formally integrate ESG within our culture and value framework today and in the future. As we continuously strive to be an industry leader, we are committed to increased transparency around important aspects of our company culture and our approach to ESG growth and sustainability.

This report provides our stakeholders with a consolidated repository of our ESG information and data, demonstrating how ESG themes are already integrated into our value framework. In preparing this report, we conducted a thorough analysis of our ESG performance, reviewed our ratings from prominent ESG rating organizations, examined ESG reporting frameworks and engaged external ESG experts and several of our largest investors. We looked internally to our own subject matter experts to identify where we have established ESG-related programs and initiatives and to highlight areas that need further refinements and improvement. This report is developed to address the Sustainability Accounting Standards Board (SASB) disclosure topics for the Medical Equipment and Supplies industry and is informed and guided by other ESG reporting frameworks, including the Global Reporting Initiative and the World Economic Forum International Business Council’s Stakeholder Capitalism Metrics.

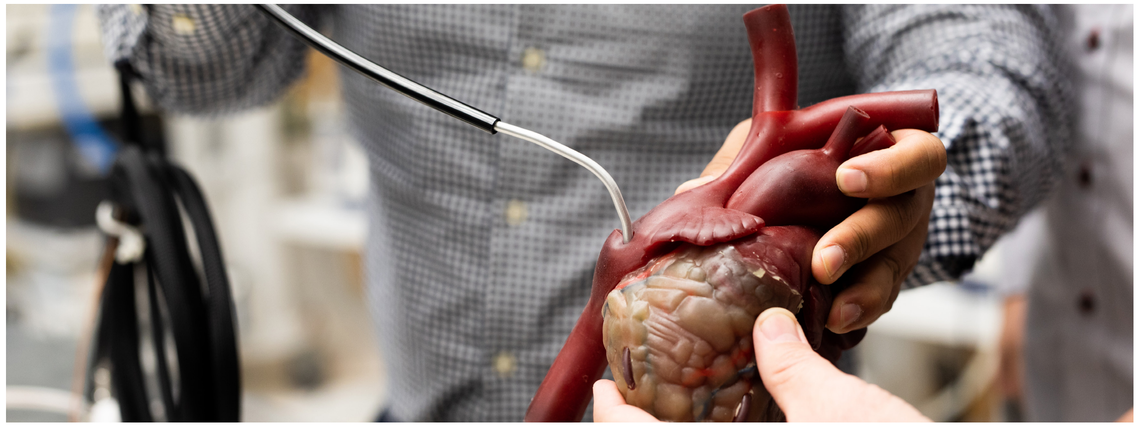
Our management team is responsible for the development of AtriCure's ESG and sustainability programs, policies and initiatives, under the oversight of the Board of Directors. A cross-functional team, including members of our executive team, has driven the initial ESG reporting process, identifying our accomplishments and establishing initiatives to guide our ongoing ESG journey. Specifically, our CEO and CFO are responsible for engaging with shareholders on ESG topics and sharing outcomes from those engagements with relevant internal functional leadership. The Nominating and Corporate Governance Committee of our Board of Directors, composed entirely of independent directors, is responsible for reviewing the Company’s ESG policies and practices as well as oversight of reporting on these topics. The Nominating and Corporate Governance Committee makes recommendations and provides updates, as appropriate, to the full Board on the Company’s ESG efforts. We believe this oversight structure highlights a strong emphasis on our approach and attention to ESG issues.

PICTURE SHOWN:
AtriCure — Mason, OH — Headquarters

Improving the Lives of Patients Worldwide

At AtriCure, our focus is on treating the most serious types of Afib — persistent and long-standing persistent Afib — and managing post-operative pain. We have the only devices in the world that are approved by the FDA for treating long-standing persistent Afib: our Isolator Synergy Ablation System, the first medical device to receive FDA approval for the treatment of persistent Afib, and our EPi-Sense® System, which recently received FDA Premarket Approval (PMA) for Hybrid AF™ Therapy. Hybrid AF Therapy is a minimally invasive procedure that provides a solution for patients with long-standing persistent Afib. By educating and training physicians on the EPi-Sense System, we aspire for Hybrid AF Therapy to become the standard of care for millions of patients who are currently suffering. We prioritize investing in robust clinical trials to continue gathering data and further evidence to attain additional regulatory approvals.

Additionally, our AtriClip® Left Atrial Appendage Exclusion System products are the most widely used left atrial appendage (LAA) management devices worldwide. The LAA is a small, thumb-like pouch of tissue in the left atrium. While performing a surgical ablation, surgeons may close the LAA with our AtriClip devices or another device or surgical approach that stops the erratic electrical signals that cause Afib.



425,000
Patients Served With Ablation Products

340,000
AtriClip Devices Sold

We continue to be encouraged by increasing awareness of the need for LAA management and the growing body of clinical evidence supporting treatment. In early 2021, an independent randomized controlled study published in the New England Journal of Medicine demonstrated that surgical LAA management for Afib patients undergoing cardiac surgery — with surgical approaches or with our AtriClip device — significantly reduces ischemic stroke and systemic embolism. In peer-reviewed studies, AtriClip devices achieved an average exclusion success rate of more than 97%.[1] Additionally, in these studies, there were no device migrations and no device-related complications with more than five years of follow-up. We believe our current products, as well as those in our innovation pipeline, will continue to improve the lives of those impacted by Afib.

Recovery from cardiothoracic and thoracic surgery can be complicated and painful. Many surgeons use multi-modal pain management strategies that include global and local pain management techniques or oral delivery of opioid and non-opioid pain medications. In an effort to improve patient recovery for those undergoing Afib surgery, we pursued an analgesia indication for our cryo ablation devices in 2015. Upon seeing the impact on patients and potential applications in a wide variety of surgical procedures in both cardiac and general thoracic surgical patients, our research and development team developed our innovative cryoICE cryoSPHERE® probe. Our pain management solutions (Cryo Nerve Block) are now used by physicians to freeze nerves during cardiothoracic or thoracic surgical procedures. This technique provides a long-lasting analgesic, allowing the patient's body to heal after surgery while the nerves regenerate and sensation is regained. We believe Cryo Nerve Block can be an important tool in combating the opioid crisis — currently, one in seven thoracic surgery patients becomes reliant upon opioids after their procedure.[2] In early 2021, we announced our 510(k) clearance of additional labeling claims for Cryo Nerve Block therapy to include the treatment of adolescent patients (12–21 years of age). We believe that use of Cryo Nerve Block not only helps reduce length of hospital stays dramatically, but also improves the quality of patient care by reducing the amount of pain that a patient feels post-surgery.

33 Million[3]
people have Afib Worldwide

8 Million[4]
people are estimated to have Afib in the U.S.

1 in 4 Adults[5]
over 40 will develop Afib in their lifetime

Market Opportunity

Afib is an abnormal heart rhythm caused by erratic electrical signals in the heart. Afib is an under-diagnosed condition due in large part to the fact that patients with Afib often have mild or no symptoms, and their Afib is only diagnosed when they seek treatment for an associated condition, such as a structural heart disease or stroke. If not treated, Afib can become progressively worse. Since the prevalence of Afib increases with age, we expect there will be an increase in the number of diagnosed Afib patients, in the United States and globally, as populations age. We believe that increasing awareness of Afib and improved diagnostic screening will also result in an increased number of patients diagnosed with Afib over time.

Our products and the therapies they are used in have been validated as effective treatment options for millions of Afib patients worldwide through numerous FDA and international approvals, hundreds of clinical publications and several prospective clinical trials. Across our business, we estimate our addressable global patient population to be well over 5 million patients.[6]

We have recently expanded our business into post-operative pain management. It is estimated that each year roughly 140,000 cardiac and thoracic procedures are performed through thoracotomy access in the United States.[7] These procedures often result in post-operative pain and long hospital recovery times as patients refrain from mobilizing their chest near the incision site. Cryo Nerve Block involves freezing the nerves located in the chest wall underneath each rib, one of the main sources of pain after chest surgery. With Cryo Nerve Block, patients have a sensation of numbness after surgery, resulting in less pain, which allows the body to heal while the nerves regenerate.

Facilitating Cost Savings for Health Systems

The worldwide economic burden of Afib is immense. In the U.S. alone, Afib is estimated to cost the healthcare system more than $26 billion annually.[8] Patients with Afib typically have other cardiovascular comorbidities and are at elevated risk of cardiovascular and cerebrovascular events and mortality than those without Afib. Direct medical costs are often substantially higher for Afib patients primarily due to more frequent hospital inpatient stays and emergency department visits, as well as outpatient medical and pharmacy costs associated with Afib.

There is an abundance of evidence suggesting that ablation for Afib results in lower costs to the healthcare system. Surgical ablation at the time of other cardiac surgery is associated with much higher survival rates, along with reduced length-of-stay in the hospital after the procedure. There is a growing body of evidence to suggest that Afib is a leading cause of heart failure, and Afib is thought to be responsible for approximately 15% to 20%[12] of the estimated 800,000 strokes[13] that occur annually in the United States. Studies have also suggested that 90% of clots that cause strokes in patients who have Afib originate from within the LAA.[14]

By treating Afib and reducing the risk of heart failure, stroke and other adverse events, patients are much less likely to need significant care. Our AtriClip device is potentially safer, more effective and easier to use than other available products to manage the LAA. Our EPi-Sense System and Hybrid AF Therapy also bring robust benefits to patients. These solutions reduce most patients' time spent in Afib by 90% at one year and make patients twice as likely to no longer need Afib medication.[15]

Pain management using Cryo Nerve Block therapy has also shown the potential to have economic benefits to the healthcare system. By reducing post-operative pain in thoracic and cardiac surgeries, patients spend less time in the intensive care unit after surgery, are ambulatory more quickly and spend less time in the hospital than when it is not used, saving the healthcare system significant money by improving recovery. Over 400 facilities in the U.S. are changing their standard of care to incorporate Cryo Nerve Block therapy, and we are increasing investments in our commercial and education teams to help drive continued awareness and adoption of this therapy.

Pricing

Our products are sold directly to customers in the U.S. and through a combination of direct and distributor channels outside the U.S. Customer pricing is negotiated at the Group Purchasing Organization (GPO), healthcare system and/or local hospital level in the U.S. Internationally, pricing is negotiated via tenders through national and regional purchasing entities, local agreements, as well as through established distributor agreements. We establish pricing based on regional reimbursement schedules to promote the accessibility and affordability of our products. Pricing is shared with our customers via a quote, local agreement or GPO/Integrated Delivery Network contract with terms and conditions language that holds both parties accountable to the confidentiality of the agreement details.

Our current and future customers are entitled to receive accurate information regarding prices, capabilities, terms and scheduling. We strive to produce advertisements and sales and marketing materials that are truthful, accurate and not misleading.

Afib: A Serious Problem

5X Risk of ***Stroke***[9]

>5X Risk of ***Heart Failure***[10]

46% Greater risk of all cause ***Mortality***[11]

Key AtriCure Product Clearances and Approvals

2001	— AtriCure Bipolar Ablation System cleared — First-generation Isolator Clamp (LHP1) cleared
2002	— AtriCure Bipolar Ablation System released to market including second-generation Bipolar Ablation Clamp (LHP2) and second-generation Ablation Sensing Unit (ASU2) — AtriCure received its first CE Mark approval that included the Bipolar Ablation System
2003	— Foundational patent 6,517,536 and 6,546,935 issued for “Device and Methods for Transmural Ablation”
2007	— AtriCure Synergy Bipolar Ablation System released to market including the Isolator Synergy Clamps (OLL2, OSL2, EMR2 and EML2) along with AtriCure Switch Matrix (ASB3)
2009	— CRYO1 Cryoablation probe released to market
2010	— AtriClip Left Atrial Appendage (LAA) Exclusion System, CRYO2 cryoICE® Cryoablation probe and Multifunctional Linear Pen released to market
2011	— AtriCure Cryo Module System and Isolator Synergy Access Clamp released to market — Isolator Synergy System approved for treatment of persistent or long-standing persistent Afib concomitant to open heart procedures
2012	— AtriClip PRO® device released to market
2014	— AtriClip FLEX device (ACH2), CRYO3 cryoICE Cryoablation probe and AtriCure Cryo Module Version 6 (ACM V6) released to market
2015	— cryoICE® probe made available for Cryo Nerve Block applications
2016	— AtriClip PRO2® device and cryoFORM® probe released to market
2017	— AtriClip PRO•V® device released to market
2018	— AtriClip® FLEX•V® released to market
2019	— cryoICE cryoSPHERE® probe released to market
2021	— Received expanded labeling for Cryo Nerve Block Therapy — EPi-Sense® Guided Coagulation System approved for treatment of long-standing persistent Afib

Innovation in Product Development

Our unique ability to address the needs of those suffering from Afib is driven by our culture of innovation. In our history, we have brought new products to market nearly every year. Our efforts to develop new products span our entire portfolio of open ablation, minimally invasive ablation, appendage management and pain management devices. As we look to the future, we anticipate continuing to invest heavily in devices that are less invasive, easier to use and more efficient for the healthcare system and our physician customers.

A Strong Foundation for Our Future

We invest across our businesses to support our three key business pillars: **innovation** in the form of new product or technology development and labeling expansion; **clinical science** investments; and physician **education**. Our ongoing research and development (R&D) activities support our business strategy to expand treatment options for patients who suffer from Afib or have a high risk of stroke. We continue to invest in new products and clinical science to increase awareness of all therapies involving our products.

We currently employ R&D personnel across three offices in the United States (Mason, Ohio; Minnetonka, Minnesota; and Pleasanton, California) as well as in our Amsterdam, Netherlands office in Europe. In 2020, we invested 20.9% of our revenue in R&D activities.

Clinical Science

We also make significant investments in clinical science activities to drive the advancement and adoption of new therapies in the marketplace. Our clinical trials are primarily conducted with internal resources and are performed globally. In our history, we have invested in numerous randomized, prospective clinical trials, including six ongoing clinical trials as of the end of 2021. Notably, our groundbreaking CONVERGE trial recently demonstrated the superiority of Hybrid AF Therapy using the EPi-Sense device to endocardial catheter ablation alone, leading to the recent FDA approval. (Read more about our approach to clinical trials in the ***Product Quality and Safety*** chapter of this report).

Company Sponsored Studies

	2020	2019	2018
Clinical Trials Started	1	1	0
Clinical Trials Completed	1	1	1
Ongoing at End of Year	6	6	6

We have also funded investigator-initiated studies driven by physicians seeking to study specific clinical scenarios and endpoints. In addition, we continue to strategically invest in collecting and analyzing real-world data on the use of our products outside of clinical trials, through AtriCure sponsored registries or payor database analyses. These investments are critical to furthering scientific research in the treatment of the most difficult to treat forms of Afib and pain management with Cryo Nerve Block. We also fund clinical research grants to support our product development efforts and expand the body of clinical evidence. Our footprint in major electrophysiology, cardiac surgery and cardiology conferences is progressively increasing year by year. The results from clinical trials and investigator-initiated studies are regularly presented at these conferences and published in high-impact peer-reviewed journals. In addition, we continue to collaborate with medical societies focused on research and education for the treatment of Afib and pain management. These investments are global, as evidence generated by these studies can impact clinical practice and healthcare delivery efficiency around the world.

Summary of Research & Development Spend

	2020		2019		2018	
	$ Millions	% of Revenue	$ Millions	% of Revenue	$ Millions	% of Revenue
R&D Expenses	**$43.1**	20.9%	**$41.2**	17.9%	**$34.7**	17.2%
Number of Employees Working in R&D	**105**		**101**		**87**	

Physician Education

To ensure our products generate the best outcomes for our patients, we are committed to offering physician educational opportunities globally, including our in-person and virtual/digital learning options. Annually, hundreds of physicians are trained through our various courses, mobile labs and in-facility trainings. Providing thorough training to physicians on the safe and effective use of our devices is paramount to establishing surgical ablation, hybrid ablation and LAA management as standards of care for patients with the most difficult to treat forms of Afib. We have trained over 2,500 healthcare professionals. We believe that investments in physician education are critical for us to succeed in our mission to address the global Afib epidemic.

Both the Society of Thoracic Surgeons and the Heart Rhythm Society have listed surgical ablation at the time of other cardiac surgery as a Class I guideline, which means it is recommended for all eligible patients. Other procedures involving our products, including hybrid ablation and LAA management, are also recognized in physician guidelines as effective treatment options.

We have established consulting relationships with cardiothoracic surgeons, cardiologists, electrophysiologists and thoracic surgeons who work with us to develop and evaluate our products. Additionally, we have formed advisory boards, which are made up of key opinion leaders in multiple specialties to oversee our training and clinical programs. These relationships provide insight regarding treatment trends, input on future product direction and education for providers.

Product Quality and Safety

AtriCure Quality Policy

Product quality and safety is the foundation of our patient-first culture. We are dedicated to designing, manufacturing and providing the highest-quality products to help Afib patients around the world live healthier and more active lives. To us, quality means consistently satisfying regulatory requirements while exceeding customer expectations by delivering products of the highest value in a timely manner. To fulfill our promise, we are committed to our Quality Policy: **PULSE.**

Our Quality Policy is at the heart of our operations. It is imperative that we deliver consistently superior, safe products to all of our customers. Our Quality Policy is communicated across all levels of the organization and throughout our value chain with our partners and suppliers.

To us, quality means consistently satisfying regulatory requirements while exceeding customer expectations by delivering products of the highest value in a timely manner.

Quality Management System

Our Quality Management System (QMS) governs processes for development, manufacturing, sales, marketing, distribution and servicing of our devices. Our QMS provides a framework for management responsibility, resource allocation and the availability of information necessary to support the operation and monitoring of these processes through a robust organizational structure.

We conduct regular internal QMS audits to validate that our procedures are effectively implemented and to promote the adoption of any necessary adjustments to maintain strong processes and controls. We proudly assemble, inspect, test and package the majority of our products at our facilities in Mason, Ohio, allowing direct oversight of our QMS. We hold others in our value chain accountable by performing regular audits for compliance with our QMS, and our quality team works to verify our key suppliers' compliance with FDA and ISO standards (Read more in ***Supply Chain Management*** chapter of this report). As outlined in our ***Business Partner Conduct Standards***, we expect all of our partners to maintain high standards of quality and safety to ensure the satisfaction of our customers, the welfare of patients and compliance with applicable laws. We are active members in industry trade groups such as Regulatory Affairs Professionals Society (RAPS), AdvaMed and MedTech Europe, which allows us to monitor our QMS based on regulatory requirements and industry trends.

Our QMS demonstrates conformance to the rigorous regulatory requirements and applicable international standards for medical devices. We are registered with the FDA as a medical device manufacturer, and we currently operate three facilities that are certified to the ISO 13485:2016 medical device standard, and we expect to certify two additional facilities in 2022. Each of these facilities participates in the Medical Device Single Audit Program (MDSAP), allowing for a single regulatory audit of a medical device manufacturer's quality management system to cover regulations for five countries (Australia, Brazil, Canada, Japan and the United States). MDSAP audits are conducted by a third-party notified body, certified as an auditing organization for the program by the five member countries, and audit results are shared with the relevant authorities and regulators in these countries, as applicable.

Leadership

The Compliance, Quality and Risk Committee of our Board of Directors oversees our QMS and compliance with FDA requirements. Our Vice President of Quality is accountable for promoting the awareness of applicable regulatory requirements throughout our organization, developing positive and effective relationships with relevant regulatory agencies and informing senior leadership through management reviews about the effectiveness of the QMS. The Quality Department is responsible for planning, maintaining and administering the QMS.

PICTURE SHOWN:
AtriCure Mason Production

Training

Communication of the Quality Policy is part of our new employee orientation process, and copies of our Quality Policy are prominently displayed throughout each of our facilities. Continuous QMS training for employees is carried out in line with local and international regulations and standards to ensure our employees are qualified for the jobs they perform. Training requirements are set by job title or function so that training is conducted through all stages of product realization, repair and post-market surveillance. We have implemented specific, mandatory trainings for all non-field-based employees that include elements such as our Quality Manual and Quality Policy. Our production associates complete job-specific training administered by our operations trainer, covering our Quality Policy as well as manufacturing, quality, purchasing, engineering and regulatory processes. This rigorous training program includes monitoring and evaluation to confirm new employees are sufficiently qualified to perform operations as intended and in accordance with the relevant operational work instructions.

We hold other internal training events focusing on a variety of topics, ranging from design for manufacturability, design control, complaint handling, reliability methods, statistical techniques and other related topics. The training events range from multi-day events with participation of 150 or more employees for broad subject matter topics, to small group trainings that span a few hours for more specific topics. These training events leverage our own internal experts as well as external experts, as needed.

Product Development

Product safety is evaluated during product development and monitored through several mechanisms after product launch. All clinical trials utilize Institutional Review Boards and have independent safety adjudication of any adverse event (major or serious) in line with the FDA's 21 CFR part 812 regulation for medical devices and local regulations in the European Union. Commercially distributed, non-clinical products are monitored through both active and passive post-market surveillance processes to ensure any patient safety issues are addressed, if necessary.

We regularly evaluate the performance and quality of our products through monthly product Center of Excellence (COE) Reviews. During these reviews, a cross-functional product team examines topics such as complaints, adverse events, non-conformance production trends, ongoing corrective actions and related projects. The team identifies if there are any leading indicators of potential issues in the field or within our manufacturing operations that may warrant further discussion. This information is then presented to senior leadership.

On a monthly and quarterly basis, product quality and operations teams report metrics such as complaint rate, adverse event rate, factory non-conformance trends, environmental monitoring results and other quality system performance metrics to our Chief Executive Officer, Chief Technical Officer and other senior leaders for monitoring and evaluation.

Product Safety and Clinical Trials

We conduct clinical trials with the utmost regard for the health and safety of participants while advancing the scientific research of Afib and pain management. Our clinical trials are primarily conducted with internal resources to allow us the appropriate oversight and quality assurance by our robust clinical and scientific affairs teams. Standards and guidelines for our clinical trials and product protocols are overseen by our Chief Scientific Officer. We perform clinical trials directed by qualified medical and scientific personnel who adhere to all relevant regulations and the highest standards of medical and clinical ethics. Leading cardiothoracic surgeons and electrophysiologists, including those who serve or have previously served as consultants to AtriCure, have published results of pre-clinical and clinical studies utilizing our products. These studies assessed the efficacy, ease of use and safety endpoints of our devices.

Use of Animals in Research

We follow all relevant regulations on animal care. All animal testing performed for product development is governed through an Institutional Animal Care and Use Committee agreement in line with the U.S. National Institute of Health guidance. All biocompatibility testing protocols are designed to minimize *in vivo* animal testing whenever possible, in accordance with ISO 10993 best practices. When it is necessary to perform *in vivo* animal testing, it is performed at external laboratories per ISO 10993 best practices for animal welfare.

People

Our employees are vital to our ongoing success, and we view our team and Company culture as important assets at AtriCure. We foster a culture that augments the intrinsic rewards of our mission — one where employees feel valued and supported every day.

We strive to engage with our employees across every level of the organization, celebrate their personal milestones and cultivate a sense of trust and transparency. We drive clarity throughout our organization with consistent, constant and intentional communications. We invest in our people and have established programs that drive performance and ongoing employee development opportunities across the organization.

Our employees have voted us as a Cincinnati Top Workplace six out of the past seven years, and our culture is regularly cited in our internal engagement surveys as one of the best things about our Company. **Our daily practices and priorities are informed by our values of healing the lives of patients, empowering our people and collaborating with our partners.**

These include:

Focusing on patients in every aspect of our work

Building trust and solid relationships with physicians and our partners

Cultivating respect through diversity and inclusion

Developing our talent and providing opportunities for growth

Communicating regularly to ensure clarity of our mission and company direction

Recognizing and celebrating achievements together

Fostering connections by serving the community

Requiring integrity, transparency, quality and compliance in all that we do

Year	Number of Employees
January 2022	875
2020	735
2019	725
2018	620

We drive clarity throughout the organization with consistent, constant and intentional communications.

PICTURE SHOWN:
AtriCure Employees at All Employee Meeting in Mason Headquarters

Response to COVID-19

When the COVID-19 pandemic began in 2020, we quickly took action and prioritized the health and safety of employees. As an essential business, we understood the responsibility of maintaining our operations in the safest manner to also support our patients and partners. We enabled work-from-home options, modified physical facility spaces and implemented Personal Protective Equipment measures. In keeping with our Company's philosophy and approach, we implemented new guidelines and policies regarding in-office attendance, travel, safety, communication and other areas in response to COVID-19. At the height of the pandemic in 2020, we temporarily reduced our manufacturing activity to minimize the risk of potential infection for those workers who were required to be on site. **However, we maintained full pay and benefit programs for our non-executive employees. We had no layoffs or furloughs due to COVID-19.**

In addition, we implemented several long-term measures to maintain a healthy work environment for our employees. We provided regular, mandatory training for all employees on company-specific COVID-19 protocols, which were consistent with the Center for Disease Control recommendations and state and country-specific guidelines. Guidance has continually been updated and made available to employees. Employees who are able to perform the essential functions of their job remotely are allowed to do so. For those who need to be in a facility to perform their work, strict adherence to our COVID-19 protocols is required, including temperature checks, wearing face coverings, socially distancing and other best practices surrounding hygiene to mitigate virus spread. We have extended paid sick leave and paid time off in the event an employee became ill or otherwise missed work due to COVID-19, and we sent supplies such as masks and sanitizing wipes to each employee's home to help ensure their safety beyond the workplace.

Our people rose to face these challenging times with unwavering commitment to our healthcare partners and putting patients first. Our people demonstrated adaptability and creativity in engaging with customers and each other virtually, embracing collaborative technologies for learning and strengthening relationships despite physical distance.

By implementing remote clinical trial support and launching a virtual training platform, we continued to gather clinical evidence and partner with our physicians to bring awareness to the undertreated population of Afib patients. Our professional education and marketing teams adapted by conducting online and mobile trainings for our sales teams and physicians, allowing for invaluable access to continuing education and awareness of our products and related procedures.

As part of cost-reduction measures related to COVID-19, we temporarily reduced 2020 cash compensation for the executive leadership team and non-employee directors. Additional detail around executive and director compensation and the adjustments made in response to COVID-19 can be found in our ***Proxy Statement***.

When the COVID-19 pandemic began in 2020, AtriCure prioritized the health and safety of employees and quickly took action. We enabled work-from-home options, modified physical facility spaces and implemented Personal Protective Equipment measures.

COVID-19 — Response

Operationally, financially and strategically positioning AtriCure for long-term growth

Health and Safety

Provide a safe work environment for our employees

- Enabling employees to work from home as appropriate
- Providing personal protection and other measures to ensure the safety of those working in our offices
- Limiting non-essential travel

Maintaining Operations

Deliver products and support to our customers

- Maintaining manufacturing, assembly, fulfillment — modified to adhere to safety recommendations
- Continuing case coverage support
- Utilizing online and mobile training venues to educate our customers

Expense Management

Cost reduction without sacrificing strategic initiatives

- Delayed certain capital investments
- Temporarily reduced executive and board compensation
- Limited other non-essential operating expenses where possible

While our plans will continue to evolve in response to changes caused by COVID-19 pandemic, we remain committed to the AtriCure Team and to the execution of our strategic initiatives.

Employee Survey Quotes re: COVID-19 response

"Leadership... is concerned with our core values of Patients, Partners and our People. This has been even more highlighted during the pandemic. When other companies were protecting the bottom line, our leadership made our financial position stronger AND protected the people that make us great today and in the future."

"While Patients are always first, every employee has received first-class care from our leadership during this pandemic."

"The handling of the pandemic by AtriCure has been commendable. The safety precautions, work distancing and treating employees fairly have been well implemented. I am proud of the way AtriCure has handled it and it has been the best response out of many that I've heard about."

Compensation and Benefits

Competitive compensation and benefits are an integral part of our efforts to attract and retain world-class talent. Our compensation program provides pay that is reflective of the following primary factors: level of responsibility, individual performance, internal fairness and external competitiveness. The program also includes annual incentive awards for salaried employees that are payable upon achievement of annual financial and management objectives. The Board of Directors of the Company has discretion to reduce bonus payouts if the Company receives a warning letter from FDA or experiences other severely unfavorable quality issues. Non-exempt employees are eligible for discretionary bonuses.

Annual pay increases and other forms of incentive compensation are based on performance and market evaluation. Performance expectations are communicated to employees at the time of hiring, as well as upon internal transfer or promotion, and documented through our performance management process as part of our annual review procedures. As one recent example of our efforts to holistically support employees on their career journeys, we reviewed market analyses and increased our minimum pay rate to $17–$18 per hour along with an increase to hourly pay rates for all existing regular full-time and part-time non-exempt employees effective October 1, 2021. Additionally, upon receiving FDA approval of the EPi-Sense System as a result of the CONVERGE IDE Clinical Trial in April 2021, we granted all non-executive employees a restricted stock award or restricted share unit award of 65 shares of AtriCure stock. We recognized the hard work and dedication of all employees — non-exempt and exempt; domestic and international.

We are committed to regularly analyzing and evaluating the effectiveness of our compensation and benefit programs and benchmarking against the market and our peers within the industry. We offer employees many sought-after benefits that help employees live their best life in and out of work. All U.S.-based employees are eligible for medical, dental and vision insurance; paid leave for both vacation and illness; a 401(k) retirement plan that includes a company matching contribution; and life and disability insurance. Our international employee benefits vary due to local regulations and offerings. We ensure compliance with all statutory and mandatory benefits which vary by country, such as medical, disability, retirement/pension, workers compensation, accident, social benefits and paid leave. We also offer a variety of other unique benefits to make the Company an employer of choice.

Some typical benefits that we offer are:

- Medical Insurance
- Dental Insurance
- Vision Insurance
- Life and Disability Insurances
- Paid Time Off and Paid Holidays
- Health Savings Accounts (HSA)
- Flexible Spending Accounts (FSA)
- 401(k) Retirement Savings Plan

Some not-so-typical benefits that we offer are:

- 401(k) Company Match
- Employee Stock Purchase Plan
- Volunteer Time Off (VTO)
- Extended Parental Leave
- Voluntary Life Insurance for Employees, Spouses and Children
- Tuition Reimbursement
- Referral Reward Bonuses
- Onsite Fitness Center, Bike Share Program and Café at Our Headquarters Location in Mason, Ohio
- Wellness Program and Initiatives
- Pet Insurance
- Gym Discounts
- Adoption Assistance

*Most of our benefits start day one of employment

Talent Attraction and Retention

We take pride in our culture at AtriCure, and we seek job candidates who bring strong and diverse talents, experiences and perspectives to our organization. The skills, experience and industry knowledge of our employees significantly benefit our operations and performance. We search for top talent and explore new ways and channels to attract and retain ambitious, humble, diverse and smart individuals. We continuously evaluate, modify and enhance our internal processes to increase employee engagement, productivity and efficiency. From 2018 to 2020, our voluntary turnover rate remained consistently below 10%. We respect the labor rights of all members of our workforce in accordance with relevant laws, and we value engagement with our employees as an essential part of our culture. None of our employees are represented by a labor union, and we have never experienced any employment-related work stoppages.

Talent Development

We strive to create an environment where employees can reach their full potential by providing a range of training courses and online resources, as well as opportunities for coaching and mentoring. We believe self-development is an important part of the way we manage performance and help our people grow their careers, and we are committed to identifying and developing the talent of our next-generation leaders. Through a series of ongoing, focused and specific learning events during the year, we have implemented a broad approach to strengthen the competencies and capabilities of our leaders. One approach used is functional team “health checks” which engages teams in structured working sessions, designed to promote high performance and collaboration. We also recently began implementing a platform to measure individual talents, patterns of thinking and behavior to build self-awareness, help manage potential weaknesses and develop our employees.

We emphasize the talent development of our field representatives and clinical support employees to ensure they are technically and clinically competent in their interactions with physicians. Upon hire, all sales representatives and clinical support personnel participate in a robust training program involving case observations, anatomy and the science of our products to ensure procedural competency, as well as deep understanding of the disease and therapies. As we continue to augment our product portfolio, sales representatives and clinical support participate in annual sales training meetings, as well as other opportunities to enhance their understanding of the technical and clinical application of our products. We also provide other cross training programs such as our “ride with a rep” program to partner engineering and product development personnel with sales representatives to better understand customer needs.

Learning Opportunities

We have a monthly schedule of learning opportunities that allow employees to access both instructor-led classroom courses and self-directed web-based courses. In addition to technical skill-building for employees, we provide access to educational programs that are consistent with the competencies measured as part of our performance management process. Topics include: Delivering Results with Accountability; Initiative and Involvement; Teamwork and Support; Develop and Maintain High Performance Teams; and Communication.

“AtriCure YOUniversity” is a new program implemented in 2021 to support employee development. The program has two learning tracks: one track for all employees interested in developing their job-related competencies and another track for aspiring or existing leaders. Throughout 2021, the organization delivered 37 live, facilitated sessions, which were available to all employees. Topics ranged from Communication Tips for Leaders, Crucial Conversations in the Workplace and Remote Work Tips for Employees.

We currently utilize Learning Management Systems to support employee growth, development and compliance-related learning. LinkedIn Learning is used for self-led employee development. We have identified courses on the LinkedIn Learning platform that match our internal competencies. We also utilize two compliance-focused platforms to manage training for employees related to compliance, document control and FDA-mandated topics. Going forward, we have plans to enhance our monitoring and tracking processes for these platforms to better measure the learning progress of our employees.

We believe self-development is an important part of the way we manage performance and help our people grow their careers, and we are committed to identifying and developing the talent of our next-generation leaders.

Career Development Framework

Our global career development framework and philosophy links employee career advancement to our business growth strategy. On an annual basis, we conduct a talent identification process we refer to as a 9-Box Leadership Review, in which our executive leadership team and senior leadership is closely involved. Through this process, we review existing and potential leaders and determine next best steps for their future development. Our other performance and talent development programs include:

- Internal Mobility Program
- Structured Annual Performance Review and Calibration Process
- Succession Planning
- Field and Clinical Training Programs
- Leadership Development Program (currently under design)

We offer an Educational Assistance Program, which provides tuition reimbursement support to employees pursuing undergraduate and graduate degrees. This reimbursement also covers registration, administrative fees, laboratory fees, books and transcripts. We provide up to $5,000 per calendar year to reimburse undergraduate study, including Associate's and Bachelor's degrees, and up to $7,500 per calendar year to reimburse graduate study. We are proud to have supported 27 employees through the Educational Assistance program since 2018.

As a part of our commitment to develop the next generation of leaders at AtriCure, we have partnered with several universities and colleges to source prospective interns and co-op students. We offer both co-op and internship opportunities to students to support various functions at AtriCure, including product development, manufacturing operations, regulatory, finance, legal and professional education. These are temporary full-time or part-time roles that offer hands-on experience working alongside leading industry professionals.

Engineering Co-op Program

The Engineering co-op program is designed to provide college students with hands-on experience to further develop in their engineering discipline and to build a successful career in all aspects of engineering within the medical device industry. Our program provides balanced opportunities focused on both technical and soft skills, with broad exposure to various roles in product development, manufacturing, quality and regulatory. By having students rotate through various departments, they gain valuable insight and expertise about the whole lifecycle and process for developing and manufacturing medical devices. On top of learning technical competency, the students grow in their soft skills as well, such as emotional intelligence, receiving feedback, career development planning and interviewing through lunch-and-learn events where they can interact with other AtriCure employees.

Each of our U.S. offices recruit from nearby universities to engage the community and build relationships with local schools. In Cincinnati, we focus our recruiting on University of Cincinnati, University of Louisville and University of Dayton. AtriCure has an incredible reputation for offering both an outstanding co-op program and for hiring graduates out of the program full-time.

Our co-op program has been running for over 20 years and has led to the full-time hiring of multiple program graduates into roles where they have grown to be directors, managers and technical leads.

24 current full-time employees were prior participants in our Engineering Co-op Program. Personnel levels range from Staff to Director.

"From Regulatory to Product Development, AtriCure has provided me with the opportunity to become well-rounded with the ins and outs of creating and delivering a medical device, while always keeping the patient in mind. I've led projects, expanded my technical knowledge and participated in clinical labs. Regardless of which team I am working with, AtriCure employees are devoted to supporting me and growing my confidence as an engineer. I couldn't be more proud to be part of the AtriCure family."

Alexis M., Engineering Co-Op

University Partnerships

As a part of our commitment to develop the next generation of leaders at AtriCure, we have partnered with universities and colleges to source prospective interns and co-op students:

- University of Cincinnati
- University of Louisville
- University of Dayton
- University of Minnesota
- Cincinnati State
- University of California Berkeley
- Northern Kentucky University
- Miami University

We have engaged the following Universities from a Diversity, Equity and Inclusion perspective

- Ohio University
- Ohio State University
- University of Cincinnati
- University of Dayton
- University of Minnesota
- Wright State University
- University of Louisville

Engineering Development Program

The Engineering Development Program (EDP) is an accelerated rotational development program for engineers who are early in their career. Associates in the program experience four 6-month rotations through different departments including quality, operations/manufacturing, product development and professional education. The experiential nature of the program provides real time and accelerated learning opportunities as the associates are expected to lead projects that solve highly important and challenging problems in their functional departments. Direct mentorship from senior company leaders during each rotation, combined with hands-on experience, enables simultaneous learning and development of leadership and technical skills.

The expectations of the program drive a highly-selective and competitive process. We seek EDP associates that have a high potential for significant growth and to contribute to the company's success and culture. Overall, the program is designed to:

- Identify and accelerate the development of future company leaders (not just functional leaders)
- Help establish an attractive and competitive talent pipeline, in conjunction with the co-op program
- Offer direct mentorship from senior company leaders
- Lay a framework for future development programs

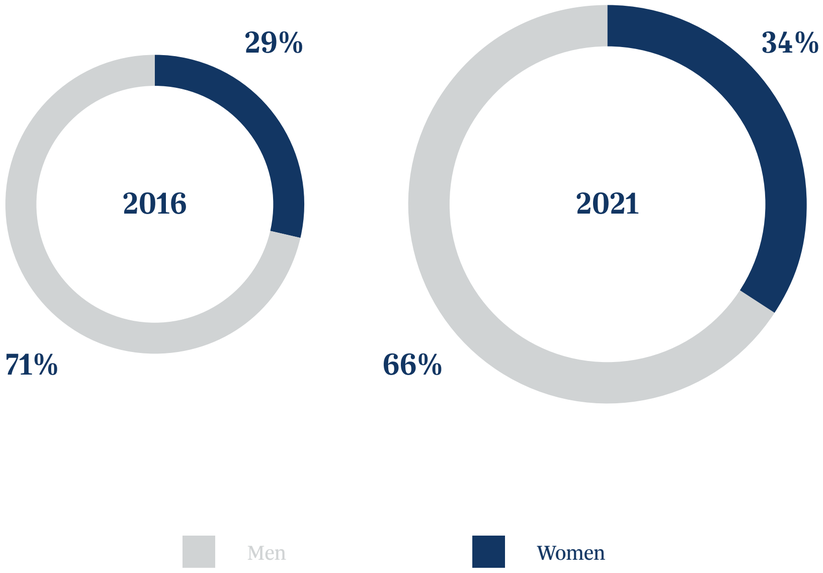
The success of the program has resulted in increasingly difficult and complex problems being assigned to and successfully led by EDP associates. We hope to further expand the EDP as we continue to grow.

Diversity, Equity and Inclusion

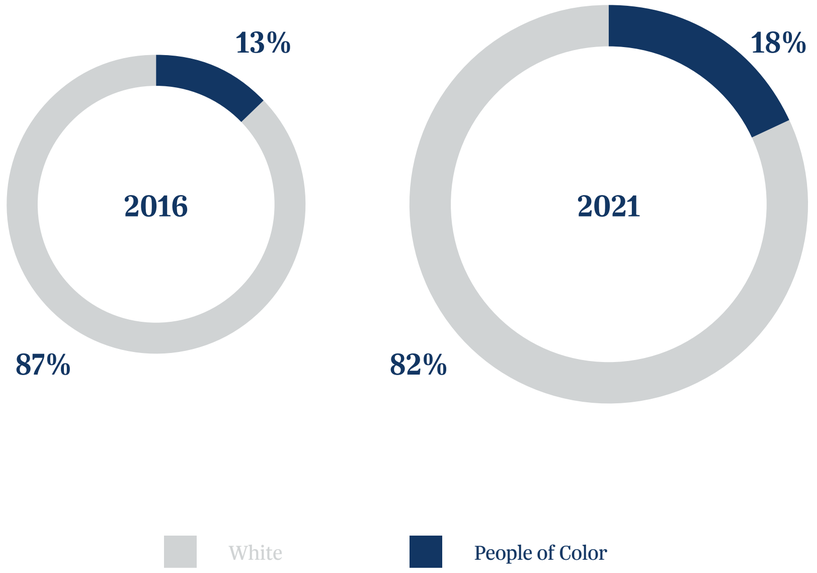
Our ongoing commitment to advancing Diversity, Equity and Inclusion (DE&I) throughout our workplace and the communities in which we operate is driven by our ambition to create a culture where employees can bring their whole selves to work. By honoring the dignity of each person and nurturing a diverse workforce, we can leverage the skills and perspectives of a wealth of backgrounds and experiences. We embrace diverse voices and experiences, support programs and resources that build an authentic and respectful workplace, and provide fair and equitable opportunities for each person to contribute meaningfully to both their work and their personal lives. We believe that everyone should feel confident in bringing their authentic selves to work and contribute to our mission.

In 2016, AtriCure leaders agreed upon a five-year plan to increase employment and advancement opportunities for women and people of color, who are typically underrepresented in the medical device industry. As of the date of this report, we have over 45% women in our workforce. **We have increased the percentage of women at AtriCure, most notably the percentage of women in management positions, which increased from approximately 29% in 2016 to approximately 34% as of August 2021.** Over that same period, we increased the percentage of people of color across AtriCure from approximately 13% to approximately 18%.

AtriCure Management



AtriCure Workforce



In recognition of this progress, in 2021, we won the CLIMB (Cincinnati Lifts Inclusion and Minority Business) Award from the Cincinnati Business Courier and Cincinnati USA Regional Chamber. The CLIMB Award honored AtriCure for Modeling Inclusion at Every Level. The purpose of the CLIMB award is to highlight individuals and organizations in Greater Cincinnati that have helped our region achieve greater heights of success through building a diverse workforce, championing equitable practices and developing inclusive cultures. This award showcases successful efforts with measurable business success in making organizations in the private, public and nonprofit sectors more equitable and inclusive. Additionally, our CEO, Mike Carrel, is a CEO Action for Diversity & Inclusion pledge signatory. Founded by PWC's Global Chairman, Bob Moritz, CEO Action for Diversity & Inclusion is the largest CEO-driven business commitment to propel measurable action and meaningful change in advancing diversity, equity and inclusion in the workplace.

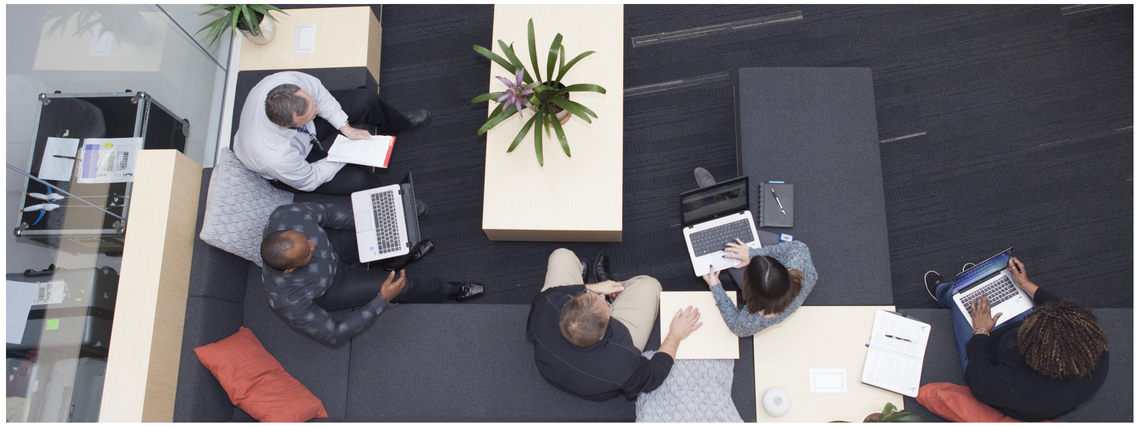
Our 2021 DE&I efforts were overseen internally by our Director of Diversity, Equity and Inclusion, and our Chief Human Resources Officer. We are committed to continual work to further advance our commitment and programs by fostering employee understanding, intentionality and measurable processes.

In early 2020, we rolled out unconscious bias educational sessions across the Company. We also established DE&I committees with employee volunteers and expanded recruitment outreach to include more organizations, societies and groups that serve minority communities. We provided a paid half-day holiday to all U.S. employees on November 3, 2020, to offer ample opportunity for voting in federal elections, and beginning in 2021, we added Martin Luther King Jr. Day as a designated AtriCure holiday. Our international team has also been actively committed to DE&I. Employees at our Amsterdam, Netherlands, office come from 13 different countries and speak 11 different languages.

Our commitment to fostering diversity across AtriCure is also reflected in the transformation of our Board of Directors over the past several years. In 2016, our Board of Directors included two women directors out of nine. As of June 2021, we have reached gender parity on our Board, with five women directors out of 10. Our two most recent director appointments are women of color, representing the African American and Asian American communities, and we also appointed a female Board Chair. Equally important to our recent efforts to prioritize diversity at the Board level, we are incredibly proud of the skills, qualifications and expertise of all the talented and capable leaders who serve as members of the AtriCure Board. For detailed information about our Board's unique set of experiences and qualifications, please refer to our ***Proxy Statement***.

CLIMB
CINCINNATI LIFTS INCLUSION AND MINORITY BUSINESS

CEO ACT!ON FOR DIVERSITY & INCLUSION



"Put simply, AtriCure has a longstanding commitment to foster a workplace that rejects discrimination, celebrates differences and promotes equality, and we are committed to doing more."

Michael H. Carrel — President & CEO

Pay Equity Analysis

AtriCure conducted an independent study of our pay practices, comparing compensation across similarly situated roles with an eye toward uncovering differences based on the gender and race of our U.S. based employees. The results of the study validated the equitable nature of our pay practices and our dedication to equal pay for equal work. We are committed to conducting a pay equity analysis annually going forward to continue to monitor our compensation programs and equity across regions, roles, gender and ethnic groups.

Harassment Policy

We have a zero-tolerance policy for discrimination, sexual harassment or other harassment based on race, color, national origin, sex, religion, age, sexual orientation, gender identity, status as a protected veteran or an individual with disability, or any other protected group status or non-job-related characteristic as directed by law. Harassment includes, but is not limited to, racist, sexist or ethnic comments, jokes or gestures or any conduct or statements creating an intimidating, hostile or offensive work environment. We have also implemented a Harassment-Free Workplace policy and ensure that every employee is trained on workplace harassment upon hire, and either annually or biannually thereafter, depending on state law.

Any unlawful discrimination or harassment is to be brought to the attention of a manager or the Human Resources Department, which will arrange for an investigation and will make all efforts to maintain the confidentiality of the claim.

Women in STEM

We celebrate women in Science, Technology, Engineering and Mathematics (STEM) roles, and our Women in STEM program promotes opportunities for women to engage with both a peer group and company leaders to help create a successful path forward in the world of STEM. The Women in STEM program focuses on:

- Assisting with core business objectives of recruitment, retention and promotion
- Establishing and nurturing community partnerships and relationships
- Creating a safe environment for sharing best practices

Since the program was initiated in 2019, multiple events have been held, including fireside chats with both women and men in STEM, as well as with several of our Board members. In September 2021, we launched a mentorship pilot program, and we are taking steps to grow this into a formal mentorship program in 2022.

We plan to continue to align our DE&I program with our core values, focusing our efforts on the following areas:

Looking Ahead

Current Initiatives:

- Empower our people by creating a sense of belonging and inclusivity
- Enhance DE&I understanding through education
- Cultivate a welcoming workforce through engagement and development
- Mirror the global communities served through innovative applicant sourcing
- Support the American Heart Association efforts in addressing heart disease disparities in women and minorities

Future Goals:

- Create a talent pipeline by fostering awareness in STEM and healthcare careers for women and minorities
- Explore opportunities to invest in local economic growth by supporting women and minorities, while collaborating with our partners to engage communities to promote heart health awareness
- Reduce disparities in heart healthcare access and quality
- Increase awareness and advocate for diversity in medical research and clinical trials through healthcare partnerships

We are proud of the progress we have made, while recognizing that our important DE&I initiatives should continue beyond 2021.

AtriCure Cares

We have a comprehensive, global wellness program for employees, which we call AtriCure Cares. The mission of the program is to help employees in all areas of wellness, including physical, mental, social and financial well-being. AtriCure Cares is championed by members of the Human Resources Department and encompasses all departments worldwide. AtriCure Cares strives to offer at least two wellness initiatives each month.

Activities include:

Physical

A Couch-to-5k program, running and walking club, a bike share program and onsite and virtual fitness and yoga classes across our offices. Moreover, onsite healthcare opportunities for employees are included in this program, including access to a blood pressure machine, a mammography van, blood drives, a flu shot clinic, biometric screening and an annual onsite visit from a wellness doctor. Recognizing that the use of tobacco is linked to many adverse health effects, including those that impact the heart, we offer our employees tobacco cessation programs. Effective January 1, 2021, our Mason, Ohio campus is entirely tobacco and nicotine-free, and to the extent permitted in the states of our other offices, those locations are also entirely tobacco- and nicotine-free.

Mental

Stress relief efforts, mental health awareness seminars, meditation classes and materials, a happiness calendar, January Blues program and Sonic Boom online wellness program.

Social

National Walking Day, American Heart Association's Heart Mini in Cincinnati, Minneapolis and the Bay Area, community volunteering opportunities, a Volunteer Time Off (VTO) program to encourage our teammates to give back to the communities in which they live, a recycling program, external speakers and employee appreciation events.

Financial

Educational opportunities on many topics, including our 401(k) plan, personal finances and budgeting, saving for college tuition, Medicare and social security preparedness and AtriCure's employee stock purchase plan.

Read more in the ***Culture of Giving*** chapter of this report.

Monitoring Employee Satisfaction

We have been recognized as one of Cincinnati's Top Workplaces six out of the past seven years, including 2021 and all three preceding years. These awards were entirely based on employee responses compiled by Top Workplaces, a national program with local affiliates. We were awarded National Standard Top Workplaces in Minneapolis in 2020 — the first year we were eligible for consideration. We monitor employee engagement and satisfaction not only for these surveys, but also for our internal efforts to build and maintain a strong company culture.

Our culture is regularly cited in our internal engagement surveys as a leading positive attribute of the Company. In our 2021 annual employee survey, over 90% of respondents said that they agreed or strongly agreed they would recommend AtriCure as a Great Place to Work.

For nearly 15 years, our "Heart of AtriCure Award" program has recognized employees who have shown exceptional performance, exemplified our patient-first focus and embodied our values at the heart of everything they do. Recipients are nominated by other employees and receive their awards from our CEO at employee meetings throughout the year. Over 100 AtriCure employees have received the award since the program's inception.

Health & Safety

In line with our commitment to improving health outcomes, one of our top priorities is to ensure the health and safety of our employees in the workplace. We have implemented multiple safety programs and regularly perform safety hazard evaluations within our facilities. Programs include our Emergency Site Action Plan for emergencies such as fire response, severe weather threats and shelter in place incidents, as well as our Certified First Responders safety program that include Red Cross training of employees in CPR, AED usage and first aid practices.

Our Environment, Health and Safety (EHS) program, overseen by the Environmental Health and Safety Manager and our Safety Committee, includes regular audits and encourages all employees to report any hazards or concerns they have regarding unsafe practices, conditions or equipment. Our managers are required to ensure that employees receive training on safety regulations and AtriCure policies. Our Safety Manager investigates all EHS issues and reports instances of potential non-compliance to the Environmental Health and Safety Manager or Safety Committee.

In our Company's history, no employee fatalities have occurred because of work-related injuries or illnesses.

Culture of Giving

At AtriCure, we are dedicated not only to our patients, but also to the community around us. We know that we can bring good to the world by acting on our gratitude and passion for helping others. We participate in various charitable, community and volunteer activities as a company, within departments and as individuals. We are proud to support these meaningful efforts as we continue to foster a culture of giving at AtriCure.

Paid Volunteer Time Off

We encourage volunteering and community involvement through our Volunteer Time Off (VTO) program, which allows employees to take up to two paid days off to volunteer with non-profit organizations of their choosing. Our employees have supported organizations and causes such as Habitat for Humanity, Cincinnati Children's Hospital, the Cincinnati Zoo & Botanical Gardens, food pantries, camps for community children, Veterans of Foreign Wars posts and Veterans Administration hospitals, mentoring programs, environmental clean-up efforts and more. Entire departments have also given their time to provide for those in need. Through the VTO program, we aim to facilitate community engagement opportunities for our employees that are meaningful, purposeful and enrich and inspire the lives of our employees.

As a medical device company, we employ people who are skilled in patient care, including nurses and paramedics. Their skills were especially in demand at the height of the COVID-19 pandemic in 2020, when hospitals were overburdened and trained personnel were desperately needed in communities. To allow our employees to contribute to local needs, we increased paid VTO time from two days to two weeks. Our employees were eager to don safety gear and serve on the frontlines as healthcare workers, first responders, mask makers and community organizers. In addition, during this time our team identified two critical needs: personal protective equipment (PPE) and patient ventilators.

Since 2017, our employees have recorded nearly 7,000 VTO hours.

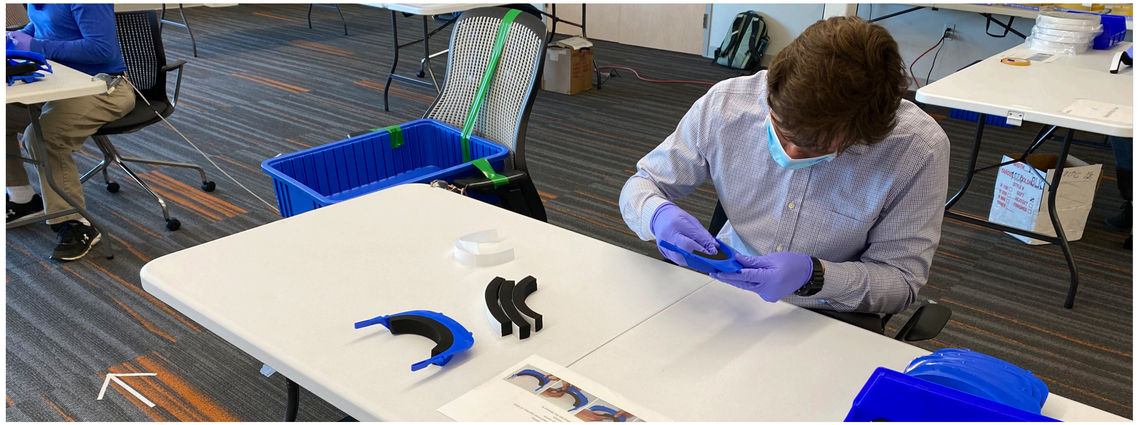
PICTURE SHOWN:
AtriCure Employees at a Volunteer Event

PPE

AtriCure engineers developed a face shield design that could be produced rapidly (despite worldwide material shortages), while still having a robust design that met the needs of healthcare workers and could be reused. In the span of less than two weeks, the team completed multiple design and prototype iterations, engaged with surgeons and healthcare workers for input and feedback, optimized the design and initiated the fabrication of face shields. The results of this project were astounding. In the end, over 185 volunteers from virtually every AtriCure department spent seventeen build days to produce about 30,000 face shields. These face shields were sent to more than twenty local facilities, including first responders.

Ventilator Splitters and Respiratory Support Masks

To address the critical shortage of ventilators and related components during peak COVID-19 pandemic months in 2020, the AtriCure team researched, designed and fabricated ventilator splitters so that multiple patients could be supported on the same equipment. The engineering team studied the design and operation of patient ventilators, reviewed current publications and articles on the use of ventilator splitters and fabricated over 300 ventilator splitter components using 3D printers. The same team also designed, prototyped and fabricated respiratory support masks to supply to hospitals in the event of a shortage.



30,000+
Shields Supplied

185+
Volunteers

100+
Development Hours

17
Build Days

20+
Facilities Supported

4,000+
Build Hours

Promoting Heart Health Awareness and Supporting Local Communities

Beyond our extensive education and training programs to aid healthcare professionals in advancing their knowledge and surgical techniques, we also work to increase awareness of Afib and cardiac health in our broader communities. We have developed a deep relationship with the American Heart Association (AHA), which is a natural fit with our mission to reduce the burden of Afib. We support AHA events in Cincinnati, Twin Cities and the Bay Area, California, including Wear Red Day, Go Red for Women, the Heart Mini Marathon, the Heart Ball and CycleNation. Moreover, AtriCure leaders serve on the boards of both the Cincinnati and Twin Cities AHA chapters. In 2021, we launched a pilot initiative with the city of Mason, Ohio, to promote the AHA's Heart Health Month to bring awareness, education and valuable tools to the community of our global headquarters. Through this program, various activities and podcasts were available to the public to generate further awareness of heart health topics.

In the Cincinnati area, we have partnered with Adopt A Class, a non-profit organization that connects businesses and civic groups with students in economically challenged schools. AtriCure employees engage with students through monthly visits, educational activities and field trips that expose them to a professional work environment to promote job and career readiness.

We have developed a deep relationship with the American Heart Association (AHA) in Cincinnati, Twin Cities, and the Bay Area, California, which is a natural fit with our mission to reduce the burden of Afib. We support AHA events in Cincinnati and the Twin Cities, including Wear Red Day, Go Red for Women, the Heart Mini Marathon, the Heart Ball and CycleNation.

PICTURE SHOWN:
AtriCure Employees at Cycle Nation

Addressing Healthcare Disparities Globally

We are dedicated to addressing global disparities in healthcare. We have a history of working with local regulatory bodies to obtain special use authorization or other exemptions that allow for a specific physician, hospital or patient to obtain access to or use unapproved devices. Under these programs, our products have received approvals in Canada, Singapore, Australia and the Netherlands.

While Afib affects more than 33 million people worldwide, nearly 35 million are affected with rheumatic heart disease, a heart condition associated with Afib that is most often found in Sub-Saharan Africa. As a part of our commitment to expand access to Afib treatments to those in need, we have participated in product donation programs throughout Sub-Saharan Africa over the past several years, supporting humanitarian missions in Kenya and Rwanda to help provide care to underserved cardiac patients.

In Kenya, we donated our products to Tenwek Hospital to equip their physicians to perform the Maze procedure on heart patients. Through the procedure, Tenwek's physicians aim to abolish cases of Afib in their young patients with rheumatic heart disease, improve patient survival rates, preserve a safe fertility period for young female patients and eliminate warfarin toxicity.

In Rwanda, we have engaged closely with Team Heart, a non-profit medical organization that gathers heart surgeons, cardiologists, nurses and other experts to provide cardiac care. Although Rwanda has a population of 12 million, the country has only a handful of cardiologists and no heart surgeons or hospitals equipped to perform heart surgery. Team Heart was founded by Cecilia Patton-Bolman, an intensive-care nurse who had seen a ward full of teenagers dying from rheumatic heart disease when she visited the country in 2006, and her husband, Dr. R. Morton Bolman III, who was the chief of cardiac surgery at Brigham and Women's Hospital in Boston. Every year, volunteers from the University of Vermont, Harvard-affiliated hospitals and other medical centers travel to Rwanda to perform heart surgeries for those in need. Our Company supplied AtriClip devices to Team Heart for their trip to Rwanda in January 2020.

PICTURE SHOWN:
Team Heart — Rwanda

Supply Chain Management

Upholding our commitment to meet or exceed customer and regulatory requirements in everything we do necessitates close engagement and collaboration with our business partners. We have a complex network of business partners, including suppliers, distributors, sales agents, independent contractors and vendors that provide products and services to us or our customers. By promoting ethical, responsible and legally compliant behavior with all business partners, we ensure our ability to continue providing the quality products our customers and patients have come to expect from AtriCure.

Sourcing is primarily done through our purchasing staff at our headquarters in Mason, Ohio. We assemble, inspect, test and package our products at our facilities in Mason. Materials and components used for the manufacturing and packaging of our products are purchased in accordance with a forecast and production schedule by our purchasing team, who are guided by our overarching goal to have no backorders with respect to customer order fulfillment.

Business Partner Conduct Standards

Just as our employees are expected to know and adhere to the AtriCure Code of Conduct, AtriCure's business partners are expected to embrace and support our ***Business Partner Conduct Standards***, which describe key shared ethical commitments and how we expect our partners to conduct business on our behalf. We take a risk-based approach to review and approve all business partner contracts. Contracts that present heightened risk or impose potential liability for AtriCure undergo more thorough review and due diligence by our legal department and significant findings, if any, that pose a risk to AtriCure are discussed as appropriate with the Compliance, Quality and Risk Committee (CQRC) of the Board of Directors on a periodic basis.

By promoting ethical, responsible and legally compliant behavior with all business partners, we ensure our ability to continue providing the quality products our customers and patients have come to expect from AtriCure.

Our Business Partner Conduct Standards establish our expectations for business partners throughout our supply chain. These expectations include, but are not limited to:

- Conducting business activities in full compliance with applicable laws, regulations and standards
- Conforming to the highest level of ethical business behavior
- Relying on proper use of assets, including information, processes and technology
- Sharing AtriCure's commitment to human rights, equal opportunity in the workplace and a safe and healthy work environment
- Reporting any concerns of questionable behavior to AtriCure

To our knowledge, there have not been any grievances reported with respect to human rights within our supply chain. For more information on our commitment to human rights, please refer to our ***UK Modern Slavery Act Statement***.

Supplier Management Program and Supplier Audits

We have adopted a risk-based Supplier Management Program which governs the selection, classification, monitoring and evaluation procedures we utilize for all our suppliers. Suppliers or subcontractors providing key raw materials or components, the failure of which could cause a significant degradation in the safety or performance of our devices, are classified as "Class A" suppliers under our Supplier Management Program. We regularly audit Class A suppliers for compliance with our quality management system requirements and applicable ISO standards. Ninety-five percent of AtriCure's Class A supplier facilities participate in third-party certification and audit programs for manufacturing and product quality, such as ISO 13485 or ISO 9001. Other supplier classes are subject to assessments or monitored for nonconforming trends.

Maintaining Traceability

Our material control system provides us with visibility across our supply and distribution chains, allowing us to trace everything from raw materials to finished products. Maintaining traceability at AtriCure begins with our inspection procedures. Raw materials and components required for our products are controlled using serial and lot numbers with electronic system controls and undergo a risk-based inspection process once received by AtriCure. Once assembled, our finished products are also controlled by serial and lot numbers, and our product labeling practices adhere to both domestic and international standards for medical devices. Any item that we purchase and inspect for product manufacturing, and any finished product that we send to our customers, is delivered with a product certification form or packing slip containing the serial and lot numbers for each individual order. This certificate ensures that the item meets our specifications and helps differentiate from potential counterfeit products. Our devices include software that allows for communication only with AtriCure generators, which is an additional measure to prevent potential counterfeit devices from pairing with our equipment.

Our efforts to maintain traceability of our products are aligned with the FDA's Premarket Approval (PMA) requirements, which include product labeling provisions related to safe and effective use and tracking for medical devices. We maintain lot traceability for all devices we manufacture to manage records needed to trace patients if necessary to protect public health. These procedures help us monitor end-to-end traceability and identification through the various stages of manufacturing and distribution.

Our efforts to maintain traceability of our products are aligned with the FDA's Premarket Approval (PMA) requirements, which include product labeling provisions related to safe and effective use and tracking for medical devices.

Critical Materials

To manage and minimize supply chain risks for critical materials, we maintain open and frequent lines of communication with our key suppliers. This includes crucial suppliers or critical subcontractors as defined by European Union Medical Device Regulation. We partner with our direct suppliers to address potential issues or shortages further upstream in the supply chain. We maintain inventory levels of components and raw materials specific to each part or device, and use forecasts derived from historical demand and anticipated future demand to determine order quantities and lead times. Lead times may vary significantly depending on the size of the order, time required to fabricate and test the components, specific supplier requirements and current market demand for the components and subassemblies. Purchased components are generally sourced from a single supplier, but alternatives to these suppliers are available in the event additional supplies would be needed. Several years ago, we began a risk assessment of our supply chain. The objective was to have duplicate or alternate supply for key and special components. Our first target was the fabric utilized on our AtriClip product, an item that was previously single-sourced. Within a year, we were able to source, qualify and start receiving the same woven fabric from an alternate supplier. This arrangement remains in place today. When we secure second sources for critical materials for products under PMA, we take steps to ensure these sources are aligned with all applicable PMA requirements.

At the onset of the COVID-19 pandemic, we partnered with many of our suppliers to avoid work stoppages and minimize supply chain risks. We addressed pain points in our supply chain by placing longer-term purchase orders and increasing quantities ordered, which allowed our suppliers to acquire more raw materials and, in some cases, reduce their costs. These efforts have helped us continue to achieve our goal of shipping orders on time with limited backorders.

PICTURE SHOWN:
AtriCure — EPi-Sense and Cannula

Conflict Minerals

As a part of our efforts to procure raw materials from sources that are in compliance with international trade laws, we routinely monitor the use of conflict minerals throughout our supply chain. Conflict minerals such as tin, tungsten, tantalum and gold (3TG) can be found in certain AtriCure devices. Although we are many steps removed from the mining of conflict minerals, we conduct annual due diligence to determine the country of origin of these minerals through our Reasonable Country of Origin Inquiry (RCOI), and we have designed our conflict minerals program to conform to the five-step framework for 3TG outlined by the Organization for Economic Co-operation and Development:

We rely upon multi-stakeholder initiatives that provide verification processes for conflict-free minerals from smelters or refiners who may provide these minerals to companies in our supply chain. We do not purchase raw ore or unrefined conflict minerals, and we do not conduct purchasing activities directly in the covered countries. We work directly with our suppliers to gather conflict minerals information and validate whether smelters and processors in our supply chain are listed in the Conflict-Free Sourcing Initiative's Conflict-Free Smelter Program. Where we do not have sufficient information to conclusively determine the countries of origin of all the 3TG necessary for AtriCure products, we have published a list of facilities that may have been used to process conflict minerals used in certain products.

We continue to develop the process used to identify suppliers that potentially provide materials and components that contain conflict minerals and conduct a good-faith RCOI of our supply chain, including a risk-based evaluation of our suppliers' responses. We publish our report on our conflict minerals program on an annual basis in accordance with the Dodd-Frank Act. Our annual conflict minerals report can be viewed on our ***website***.

Environmental Sustainability

At AtriCure, we understand the need to monitor our impact on the environment to protect our planet for future generations. Our efforts to achieve both sustainability and business objectives help us meet the long-term expectations of our patients, our partners and our communities. As we develop new products and expand product availability globally, we strive to improve operational efficiencies with a continual focus on minimizing our environmental impact. We work to establish and refine programs to reduce our resource use and recycle or reuse materials needed to manufacture and distribute our products. We aspire to follow best-in-class environmental practices for our industry. We expect the same level of commitment from our suppliers and business partners, and we do our part to set a strong example of environmental stewardship.

Our Facilities

Our roots trace back to the year 2000, when the Company was founded near Cincinnati, Ohio. We have remained committed to the Cincinnati area, establishing Company headquarters at our Mason, Ohio campus. We have grown through the completion of acquisitions as well as the expansion of our domestic and global facilities. Today, we operate in the following principal locations:

AtriCure Corporate Headquarters Campus — Mason, OH

We currently occupy three locations in Mason where we maintain our global headquarters, as well as research and development, administrative, manufacturing, warehousing and distribution functions. We continue to grow our presence in Ohio as part of our long-term plans. In 2019, we purchased approximately five acres of land north of our current headquarters, providing space for future expansion. Additionally, we recently acquired a building where we plan to expand our manufacturing and distribution operations in 2022. As of the end of 2021, all of AtriCure's manufacturing operations are currently conducted at our Mason, Ohio campus.

AtriCure Minneapolis — Minnetonka, MN

Our Minnetonka location includes administrative and product development space. This has been a strategic location for AtriCure to attract and retain industry talent.

AtriCure Pleasanton — Pleasanton, CA

Our California facility was born from past acquisitions. This location is primarily used for product development.

AtriCure Europe BV — Amsterdam, Netherlands

This location is the headquarters for our European subsidiaries and houses administrative functions for our global operations.

Energy and Water Usage

As part of our efforts to manage our environmental impact, we monitor key metrics at our various facilities such as energy usage and water consumption. Looking ahead, and considering our ongoing facility expansion project in Mason, Ohio, we plan to implement processes to consolidate our electricity, natural gas and water usage across our Mason campus to enhance our ability to monitor trends and the results of our efficiency initiatives. At this time, our presence in facilities outside of the Mason campus are rented space within multi-tenant buildings. We plan to better understand how we can measure our impact within these shared spaces and report these usage trends in more detail in our future ESG reporting.

Waste Management

We monitor, analyze and aim to continually improve waste management practices across our facilities. Waste is managed and processed in accordance with federal, state and local Environmental Protection Agency (EPA) regulations, and all required permits are received before any discharge of waste.

Medical and Hazardous Waste

Our manufacturing operations and research and development activities involve the use of biological materials and hazardous substances. These operations may produce biological waste materials, such as animal tissues and certain chemical waste, which are subject to a variety of federal, state and local environmental laws and regulations. Our operations are permitted by regulatory authorities, and the resultant waste materials are disposed of in compliance with applicable environmental laws and regulations.

We have implemented efforts to assess and demonstrate compliance with the E.U. Restriction on Hazardous Substances directive (RoHS); the E.U. Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) regulation; the E.U. Medical Device Regulations (MDR); the CA Safe Drinking Water and Toxic Enforcement Act (CA Prop 65); and ISO 15986:2011. Our purchasing agreements often include requirements regarding material compliance and limitations on hazardous substances.

For our main manufacturing, assembly and packaging facility in Mason, Ohio, all chemical waste streams are handled through an environmental services company and disposed of according to local regulations. We track our waste with the EPA, which classifies AtriCure as a Small Quantity Generator in Ohio because we generate less than 2,200 pounds of waste per month. Our regulated bio-hazardous waste streams are reviewed for disposal method prior to implementing the disposal process. We have engaged a third-party waste disposal contractor to haul our medical waste and dispose of it in accordance with the Ohio Environmental Protection Agency Division of Materials and Waste Management.

We track materials compliance information and make it available upon request to customers and end-users. For example, we provide information on materials used in our products to satisfy questions regarding regulations such as CA Prop 65.

Wastewater

Wastewater treatment is important to protect public health and the environment from the pollutants generated from our parts cleaning and passivation processes. Our wastewater treatment system (WWTS) is designed to treat process wastewater in 500-gallon batches, utilizing pH control and ion exchange as the primary means of removing pollutants from process wastewater. The WWTS treats the process water in accordance with federal, state and local EPA regulations.

Green Initiatives

We are tailoring our manufacturing operations and research and development activities to reduce our impact on the environment, in many cases going beyond the various environmental laws and regulations that are applicable to us. Some of our current environmental initiatives include:

- Recycling programs targeting construction materials, cardboard, aluminum, plastic, paper and universal waste streams
- Converting to LED lighting in our Mason headquarters and including LED lighting in facility improvement projects
- Adding insulation and more efficient heating, ventilation and air conditioning systems that exceed code requirements

We aim to build upon these initiatives in the future with other programs.

Product Design and Lifecycle Management

We foster innovation to reveal new ideas that improve the experience of our partners and support the care they deliver to each patient. Our products are designed to prioritize patient health and safety, and this is reflected through our design protocols, risk documentation, clinical studies, biocompatibility testing and post-market assessments. Our current marketing, training and selling practices contribute to minimizing waste of disposable products. We do not require minimum purchase quantities for our direct customers and allow them to order based on anticipated surgical volumes, which helps to reduce the number of units that might go unused.

To AtriCure, putting patients first also means taking steps to protect our planet. Through our product design and lifecycle management processes, we are looking to implement initiatives focused on mitigating the environmental impact through the design of less invasive, simpler and more efficient products. We empower our people to apply principles of environmental stewardship to drive ongoing product improvements.

As part of our commitment to physician education, we established a program that allows for the conversion of disposable units into demonstration (demo) units. We have converted approximately 3,250 non-saleable, expired, undamaged single-use devices into demo units from 2018 through 2020. These demo units are used around the world for our physician education and technical training on the features, benefits and safe and effective use of our products to provide the practical knowledge necessary to use our products and promote awareness and increased use of our technologies.

Reusable Equipment (Generators)

Our products for cardiac tissue ablation include those that heat tissue using radio frequency (RF) energy or those that cool tissue using cryo-thermal heat transfer to create focused tissue effects. Our ablation products are part of platforms that consist of disposable handpieces, which connect to compact RF power generation sources or cryoICE BOX generators. We generally provide these generators to our direct customers in hospital and clinical settings and sell them to our distributors.

Our RF power generators and cryoICE BOX generators are designed to connect to disposable handheld units for surgical operations. As the generators do not contact the patient, they can be cleaned and reused for multiple operations. We fabricate our generators to be long-lasting and minimize waste without sacrificing reliability during use. As we design new disposable products, when possible, we seek to maintain compatibility with our existing generators to extend their usable lifespan. One recent example is the new EnCompass® Clamp, which was designed to be compatible with our existing RF generators.

We request our direct customers in both the U.S. and E.U. to return any generators at the end of their usable life to our service centers in Mason, Ohio, or Amsterdam, Netherlands. At our service centers, we attempt to service and reprocess returned units, requalify them and provide refurbished units back to customers. From 2018 through 2020, our U.S. and E.U. service centers reprocessed over 100,000 pounds of reusable equipment. Refurbishment of generators is not always possible, particularly when components are destroyed beyond the point of repair or discontinued due to design changes. From 2018 through 2020, we estimate that approximately 95% of equipment and materials that were no longer usable from our U.S. and E.U. service centers were recycled in accordance with local municipal recycling mechanisms, while approximately 5% were sent to landfills. Customers in regions outside the U.S. or E.U. may perform repairs on their reusable equipment independently or send equipment to AtriCure for potential repair and reuse.

Recyclability

We rely on our end-user facilities' waste disposal processes to determine the disposal mechanisms for our single-use devices. Our secondary packaging for single-use equipment — consisting of white cardstock and brown cardboard — are fully recyclable and may be recycled at end-user facilities. These materials constitute approximately one-third of the total packaging for typical sales of our sterile, single-use devices.

Looking Ahead

Our efforts to demonstrate compliance with the U.S. EPA Toxic Substances Control Act are ongoing and are expected to continue until 2025 to cover all products. Over the next few years, we are also planning to perform lifecycle analyses for our electrical equipment per IEC 60601-1-9, which lays out general requirements for safety and performance of medical electrical equipment.

Corporate Governance

Our Board of Directors embodies our commitment to the highest standards of corporate governance in directing the affairs of the Company to optimize long-term shareholder value while also maintaining the Company's reputation and integrity. Our Board has separate Chief Executive Officer and Board Chair positions, which enhances Board independence and allows our Chief Executive Officer to focus on managing the business. The Board has adopted Corporate Governance Guidelines and charters for each of its five committees (Audit; Compensation; Compliance, Quality and Risk; Nominating and Corporate Governance; and Strategy), which describe certain of the Board's duties. The Nominating and Corporate Governance Committee oversees and implements all policies and practices related to governance. For more information, please visit the Corporate Governance section of our ***website***.

Racial or Ethnic Diversity

2 out of 10 Diverse

Gender Diversity

5 out of 10 Women

Age

4 out of 10 <60 Years Old

In April 2021, B. Kristine Johnson was named Board Chair, and in June 2021, two new directors were added: Maggie S. Yuen and Deborah H. Telman. We are proud of the diverse range of qualifications, skills, experience, and backgrounds represented on our Board.

Board of Directors

Beginning with our formal Board refreshment initiative in 2016, we have continued to show remarkable transformation in the composition of our Board of Directors. The Nominating and Corporate Governance Committee evaluates Board nominee candidates to create a balance of independence, sound judgment, business specialization, technical skills and diversity.

In April 2021, B. Kristine Johnson was named Board Chair, and in June 2021, two new directors were added: Deborah H. Telman and Maggie S. Yuen. We are proud of the diverse range of qualifications, skills, experience and backgrounds represented on our Board.

Currently, our Board of Directors is composed of nine independent directors, including the Board Chair, and our President and Chief Executive Officer Michael H. Carrel.

Risk Oversight

Our management team is responsible for the day-to-day management of risks we face, while the Board, as a whole and through its committees, is responsible for overseeing our risk management process. Management has developed an Enterprise Risk Management (ERM) program to monitor material risks across each business unit and corporate function. Areas of risk include, but are not limited to, legal, competition, industry, economic, business operations, commercial and regulatory compliance, quality, cybersecurity, reputational and acquisitions and dispositions. If a material risk is identified, it is elevated through the management team to both the full Board and the Compliance, Quality and Risk Committee. Senior management regularly attends meetings of the Board, providing presentations on operations as well as risk exposure and mitigation activities. Moreover, each of the Board's standing committees is responsible for specific areas of risk oversight:

The Nominating & Corporate Governance Committee assists the Board in fulfilling its oversight responsibilities regarding the management of risks associated with Board organization, membership and structure, succession planning and corporate governance.

The Audit Committee assists the Board in fulfilling oversight responsibilities regarding significant financial risk exposures and the processes management has implemented to monitor, control and report such exposures. Specific examples of risks primarily overseen by the Audit Committee include, but are not limited to, risks related to preparing our financial statements, disclosure controls and procedures, internal controls over financial reporting, accounting, financial, auditing, treasury and cybersecurity risks insofar as such cybersecurity risks relate to accounting, audit and financial matters.

The Compensation Committee assists the Board in fulfilling its oversight responsibilities regarding the management of risks arising from our compensation policies and programs.

The Compliance, Quality and Risk Committee assists the Board in fulfilling its oversight responsibilities regarding the management of risks relating to the Company's Code of Conduct, compliance with applicable U.S. Food and Drug Administration requirements and international law, compliance program and enterprise risk management and control activities except to the extent to which such functions relate to accounting, audit and financial matters for which the Audit Committee is responsible.

The Strategy Committee assists the Board in fulfilling its oversight responsibilities regarding the management of risks relating to potential mergers, acquisitions, divestitures, joint ventures and other key strategic transactions outside the ordinary course of the Company's business.

While the full Board is responsible for managing overall risks to the Company, the chair of each Board committee is tasked with updating the Board on specific risks at regularly scheduled Board meetings. For more information about our corporate governance, including our executive compensation program, please refer to our ***proxy materials***.

Ethics and Compliance

Our commitment to integrity means that we do business ethically and legally. Each AtriCure employee is responsible for complying with relevant conduct standards, including acting with integrity, expertise, care and diligence at all times; being open and cooperative with regulators; putting patients' interests first; and observing proper standards of market conduct. Through our various policies surrounding ethical conduct, we have established standards for ethical business practices and regulatory compliance. We strive to take responsibility for our actions, act courageously and do the right thing every time.

Ethics & Compliance with Our People

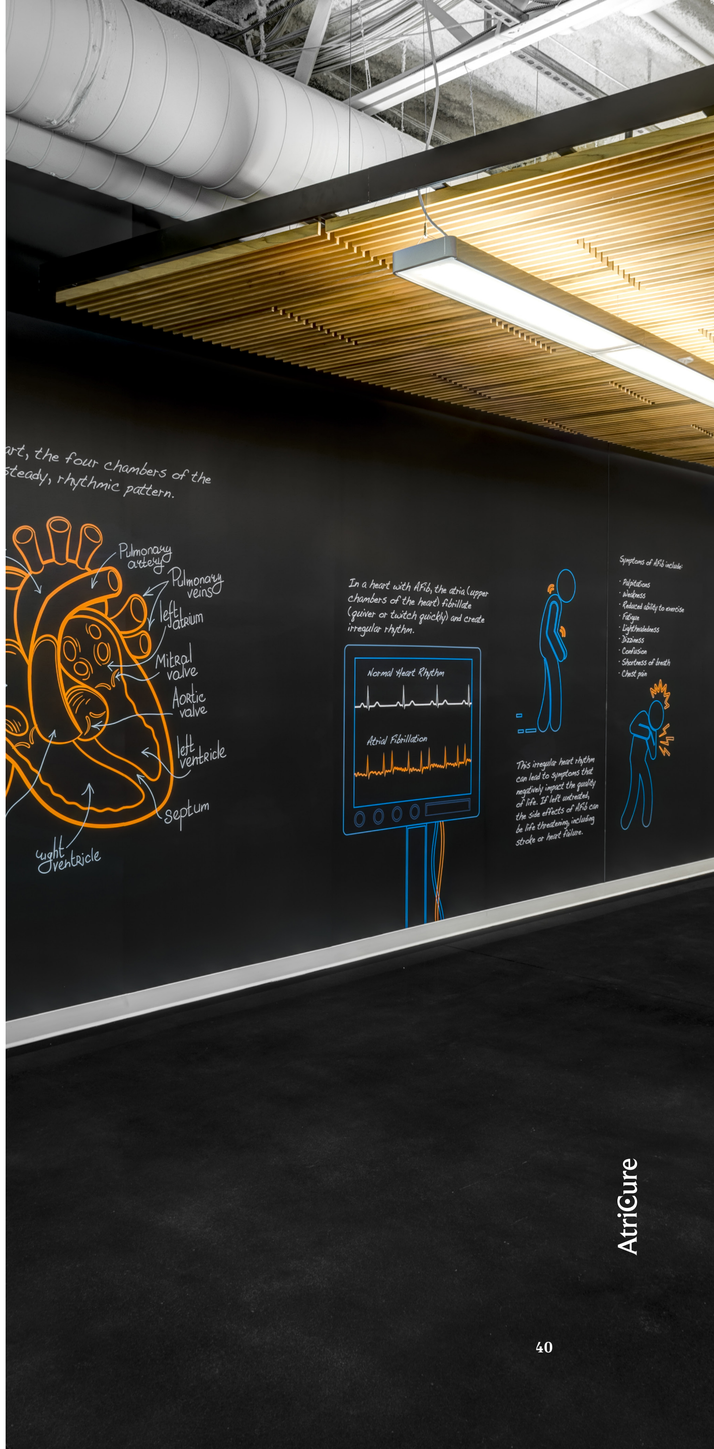
Our Code of Conduct

Our people are committed to maintaining the highest standards of business conduct and ethics. Our Code of Conduct ("Code") reflects our values — Patients, People & Partners — and the business practices and principles of behavior that support this commitment. Our Code is an integral part of our business conduct compliance program and applies to all our officers, directors and employees, collectively "our people". We provide the Code in six languages so all our people can read it in their native language and fulfill their responsibility to understand and comply with the Code. In 2021, we issued our updated ***Code of Conduct*** to further demonstrate our commitment to ensuring it is relevant to our day-to-day work.

We conduct onboarding and annual training or certification processes, supported by various additional policies, industry guides and examples on how to apply the concepts to daily business practices. All our people receive training on our Code of Conduct when onboarded and annually thereafter. We also provide periodic refresher trainings to reinforce key messages and to support specific job responsibilities. All our people must annually acknowledge in writing that they have read, understood and acted in accordance with our Code of Conduct.

Our Code of Conduct is supplemented by an additional Code of Ethics for the Chief Executive Officer and Senior Financial Officers. The Code of Ethics is applicable to our Chief Executive Officer, Chief Financial Officer and key finance employees with responsibility or authority for financial control, oversight or reporting matters. Our Code of Ethics ensures adherence to policies and procedures, including avoidance and handling of conflict-of-interest situations and adequacy of disclosure procedures and internal controls of over financial reporting. Current versions of both our Code of Conduct and our supplementary Code of Ethics are available on our website at: ***https://ir.atricure.com/corporate-governance/highlights***.

All employees are assigned training on the Code of Conduct, and as of the date of this report, 100% of employees have completed required training.



Reporting Violations of Our Code of Conduct

As a part of our pledge to promote a fair and healthy work environment, any AtriCure employee, officer or business partner with knowledge of an actual or potential violation of our Code of Conduct, fraud, abuse or misconduct must promptly report such incident. These reports can be made to a manager; a member of the human resources, compliance or legal departments; or through our confidential reporting tool, ***EthicsPoint***.

We have engaged EthicsPoint as a third-party provider to maintain an anonymous channel of communication for our people and partners to bring any of their concerns forward. EthicsPoint reports may be made through the webpage hosted on EthicsPoint's secure servers or by telephone to call centers operated by EthicsPoint. The website is accessible in eight languages to promote reporting of matters across our global operations. We encourage reporting through EthicsPoint to help us maintain a trustworthy and productive work environment and identify potential areas for improvement.

Our Chief Compliance Officer (CCO), Chief Legal Officer, Board Chair and Audit Committee Chair are promptly notified of reports made to EthicsPoint. Depending on the type of reports, certain members of the Audit Committee and/or the Compliance, Quality and Risk Committee (CQRC) of our Board of Directors are also notified of reports that relate to their respective committee's area of oversight responsibility. The CCO ensures that prompt and thorough investigations of all reports are conducted. Investigation results and documentation are periodically reviewed by the CQRC. We protect those who speak up and will not tolerate retaliation against anyone who asks a question, raises a concern, or participates in an investigation in good faith.

Compliance Risk Assessments

Risk assessments are routinely completed to identify significant risks related to compliance with laws and regulations as part of our compliance planning processes and our ERM process. This includes assessments of:

- Sales intermediaries
- Geographical business risks
- Sales force and field staff interactions with healthcare professionals
- Compliance program risks
- Enterprise risks to the organization identified through our established ERM program

The results of these assessments are used to help identify any potential gaps in policies or procedures to address in our operations.

Compliance Oversight

The CQRC of our Board of Directors is tasked with oversight and review of Code of Conduct matters and other compliance requirements and recommends proposed changes to the Board for approval. Members of the CQRC meet regularly with our CCO and executive leadership and receive reports regarding the effectiveness of our compliance program and the results of compliance audits. We also periodically conduct assessments of our compliance program using external consultants.

As a part of our pledge to promote a fair and healthy work environment, any AtriCure employee, officer, or business partner with knowledge of an actual or potential violation of our Code of Conduct, fraud, abuse or misconduct must promptly report such incident.

Ethics & Compliance with Our Partners

Voluntary Industry Codes of Ethics

We have adopted and implemented voluntary standards of ethical and business conduct applicable to our industry in various jurisdictions where we operate. We are a member of the Advanced Medical Technology Association (AdvaMed), a United States trade association for medical device manufacturers. In the United States, we have affirmed that the Company has agreed to abide by the ***AdvaMed Code of Ethics on Interactions with U.S. Health Care Professionals (AdvaMed Code)***, and that we have implemented policies and procedures to implement the AdvaMed Code as part of an effective compliance program. The AdvaMed Code provides guidance on interactions between medical device manufacturers and healthcare providers, as well as a set of standards intended to ensure that such interactions are transparent and comply with applicable laws, regulations and government guidance. The standards address interactions related to sales and marketing practices, research and development, product training and education, grants and charitable contributions, support of third-party educational conferences and consulting arrangements.

The AdvaMed Code strongly influences our own policy choices and informs our Health Care Compliance Reference Manual, which guides our day-to-day activities and interactions with healthcare providers. Our internal healthcare compliance policies are centered on four fundamental principles:

1	Keeping the medical decision-making process free of improper influence
2	Promoting products lawfully
3	Disclosing accurate pricing information to assure proper reimbursement
4	Treating everyone we encounter in the course of our business with respect and fairness

Outside the United States, we implemented and follow complementary standards, including the ***MedTech Europe Code of Ethical Business Practices***, ***AdvaMed China Code of Ethics***, and ***APACMed Code of Ethical Conduct***.

Lobbying

We are a member of various trade associations, including AdvaMed and the Medical Device Manufacturers Association (MDMA), to which we pay ordinary membership dues. AdvaMed and MDMA represent the collective interests of their members to help shape the policymaking process and act as a common voice on behalf their members before the U.S. Congress and other government agencies. We are also a member of MedTech Europe and BeMedtech, the Belgian federation of medical technologies industry. MedTech Europe engages with European Union regulators, politicians and other decision-makers to help shape policies to promote innovation for healthcare needs and expectations. We do not perform individual lobbying as a Company, nor do we employ registered lobbyists.

Anti-Corruption

Our stance against corruption is simple: we steer clear of offering or accepting anything that could even appear to be a bribe or an attempt to influence a business decision. We have adopted an ***Anti-Corruption Policy*** that supplements our Code of Conduct and establishes a framework for compliance with all applicable anti-bribery and anti-corruption laws, such as the U.S. Anti-Kickback Statute, the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act and similar laws in other countries where we do business. We are committed to complying with these and similar laws by holding AtriCure employees, and those acting on our behalf, to the highest ethical standards to maintain the trust of our stakeholders.

Marketing and Labeling Policies

We require that our employees provide physicians and other healthcare providers with information about our products that is consistent with their FDA cleared or approved label. We do not promote the use of our products for purposes other than those specified on the product label. We also require that all marketing and promotional materials adhere to our Commercial Materials Review Policy. Pursuant to this policy, marketing and promotional materials are reviewed by subject-matter experts to ensure: that product information and procedures for using our products are consistent with product labeling; all materials are truthful, accurate and not misleading; and that any claims made are supported by sound scientific and clinical data. Our sales representatives are not allowed to promote, discuss, assist or advise in the off-label use of the Company's products.

Business Partner Conduct Standards and Human Rights

Our Business Partner Conduct Standards detail our expectations for any individual, organization or company that provides us with products or services to support our commitment to ethical business conduct. These standards also articulate our commitment to human rights and our expectation that our business partners comply with all applicable laws related to forced labor, child labor, wages, working hours, working conditions and human trafficking. We also require that our business partners share our commitment to fostering a healthy, safe and sanitary work environment (read more in the ***Supply Chain Management*** chapter of this report).

PICTURE SHOWN:
AtriCure Trade Show Booth

Information Security and Privacy Management

To maintain the trust and confidence of our stakeholders, we have developed security policies and practices to protect the confidentiality and integrity of data. Confidentiality ensures that only people who are authorized to use certain data can access it. Integrity entails accurate and suitable data for the purpose for which it is processed.

We have taken appropriate technical and organizational measures for information security that are consistent with applicable privacy and data security laws and regulations, including:

Adoption of the National Institute of Standards and Technology (NIST) Cybersecurity Framework, which lays out the best practices for security and the capabilities needed to identify, protect, detect and respond to cybersecurity events. The NIST Cybersecurity Framework guides AtriCure's current and future cybersecurity efforts.

Information Security and Privacy Management

Establishment of:

- *a structure to manage the information security program for Protected Health Information (PHI) and Personally Identifiable Information (PII);*
- *a policy management program, which includes monitoring for compliance and addressing non-compliance with information security policies and procedures;*
- *a cybersecurity risk assessment program with defined periods of review; and communication, training, awareness and incident response programs.*

We have implemented several physical, electronic and administrative safeguards to protect data from loss, misuse, alteration, theft, unauthorized access or unauthorized disclosure. We evaluate these safeguards on an ongoing basis to minimize risks from new security threats. These safeguards vary depending on the sensitivity, format, location, amount, distribution and storage of data, and include measures to keep data protected from unauthorized access, such as multi-factor authentication, malware protection, encryption of communications via Secure Sockets Layer (SSL) protocols, encryption of information during storage, firewalls, access controls, separation of duties and similar security protocols.

Consistent with the Health Insurance Portability and Accountability Act (HIPAA) and Health Information Technology for Economic and Clinical Health Act (HITECH), we have put in place a security program for managing PHI and PII, which includes heightened security measures for the collection, storage and disposal of PHI and PII. Importantly, we do not handle the PHI of our customers, the PII of patients treated by our customers with AtriCure devices, or PII related to AtriCure sponsored clinical research. Such data is intentionally not collected or maintained by AtriCure through our systems or personnel. We require employees to minimize their exposure to PHI and refrain from making or keeping records containing PHI. To the extent AtriCure engages third parties who need access to personal information, we conduct due diligence and ensure appropriate provisions are implemented to protect that data.

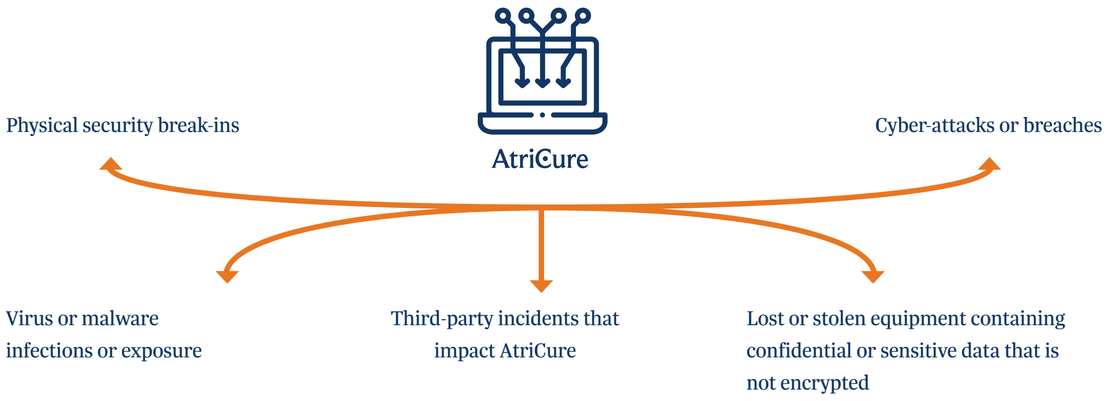
We maintain a third-party insurance policy for information security risks, which is renewed annually and includes coverage for liability, business loss, data loss, cybercrime, cyber extortion and breach response. We have also put in place a business continuity standard for the backup and recovery of data and systems in the case of events such as natural disasters and system failures or errors.

AtriCure has implemented several physical, electronic and administrative safeguards to protect data from loss, misuse, alteration, theft, unauthorized access, or unauthorized disclosure.

Data Breach Response Process

We maintain procedures to investigate and respond to data breaches. These procedures include mechanisms to ensure timely and appropriate notifications to relevant parties and regulators as required by data protection laws. In addition, we have designated a team of employees to execute our data breach response plan, as needed. This team consists of relevant functions that have been advised to contact our information technology or compliance departments in the event of unusual activity or a breach. Incidents that may threaten our systems and data that are incorporated into our data breach response process include, but are not limited to, the following:

Data Breach Response Process Coverage



Information Security Oversight

Our Board of Directors is responsible for the oversight of cybersecurity risks. The CQRC and Audit Committees assist the Board in fulfilling its oversight responsibilities with respect to information security. The CQRC oversees compliance with data security and privacy laws and matters related to AtriCure's Code of Conduct, including data protection and patient and consumer privacy. The Audit Committee has oversight responsibility for cybersecurity risks related to accounting, audit and financial matters.

The Vice President of Information Technology, assisted by the information technology team, is responsible for setting the strategic direction and priorities for information security, coordination of enterprise-wide compliance with information security policies and procedures, as well as day-to-day information security management. The information technology team is responsible for communicating established security policies, standards, guidelines and procedures applicable to employees and contractors, while department management is responsible for ensuring that their employees, contractors and third-party users apply security controls in accordance with established policies, standards and procedures.

Compliance with Specific Laws and Regulations

Our data protection policy supports compliance with applicable laws and regulations related to the processing of personal data and privacy, such as the European General Data Protection Regulation (GDPR), the California Consumer Privacy Act (CCPA) and HIPAA. For more information, please see our ***Privacy Notice***.

Looking Ahead

As we continue to improve and align our information and data security and privacy programs throughout our Company, we are focused on making investments to further build our cyber protection and resilience. Additionally, we continue to ensure that our management of our programs, teams and governance are well-informed, comprehensive and focus on reducing cyber, data security and privacy risks.

Sustainability Accounting Standards Board (SASB) Index

The Sustainability Accounting Standards Board (SASB) is an independent nonprofit organization that sets standards to guide the disclosure of sustainability information by companies to their investors. AtriCure has aligned disclosures in the following index to SASB's metrics for the Medical Equipment and Supplies industry. Data and information pertain to efforts in 2018, 2019 and 2020 unless otherwise stated.

Disclosure Topic	Accounting Metric(s)	2020	2019	2018	SASB Code
Affordability & Pricing	Ratio of weighted average rate of net price increases to the annual increase in the U.S. Consumer Price Index				HC-MS-240a.1.
	Weighted Average Rate of Net Price Increases	+0.4%	+0.9%	+1.0%	
	U.S. Consumer Price Index	+1.4%	+2.3%	+1.9%	
Affordability & Pricing	Description of how price information is disclosed to customers or to their agents	Pricing is shared with our customers via a quote, local agreement, or GPO/ Integrated Delivery Network contract with terms and conditions language that holds both parties accountable to the confidentiality of the agreement details. Refer to Pricing above in ***Improving the Lives of Patients Worldwide***, page 6.			HC-MS-240a.2.
Product Safety	Number of product recalls/total units recalled	0	2 (884 Units)*	0	HC-MS-250a.1
Product Safety	List of products listed in the FDA's MedWatch Safety Alerts for Human Medical Products database	0	0	0	HC-MS-250a.2
Product Safety	Number of fatalities related to products as reported in the FDA Manufacturer and User Facility Device Experience	0	0	0	HC-MS-250a.3
Product Safety	Number of FDA enforcement actions taken in response to violations of current Good Manufacturing Practices (cGMP), by type	0	0	0	HC-MS-250a.4
Business Ethics	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	$0	$0	$0	HC-MS-510a.1
Business Ethics	Description of code of ethics governing interactions with healthcare professionals	Refer to ***Voluntary Industry Codes of Ethics*** section of this report, page 42, and ***AdvaMed Code of Ethics on Interactions with Health Care Professionals (AdvaMed Code)***.			HC-MS-510a.2
Ethical Marketing	Total amount of monetary losses as a result of legal proceedings associated with false marketing claims	$0	$0	$0	HC-MS-270a.1
Ethical Marketing	Description of code of ethics governing promotion of off-label use of products	See ***Marketing and Labeling Policies*** section of this report, page 43.			HC-MS-270a.2

*This recall represents 0.465% of global unit sales in FY 2019.

Disclosure Topic	Accounting Metric(s)	2020	2019	2018	SASB Code
Product Design & Lifecycle Management	Discussion of process to assess and manage environmental and human health considerations associated with chemicals in products, and meet demand for sustainable products	See ***Medical and Hazardous Waste*** section of this report, page 36.			*HC-MS-410a.1*
Product Design & Lifecycle Management	Total amount of products accepted for take-back and reused, recycled, or donated, broken down by: (1) devices and equipment and (2) supplies	See ***Product Design and Lifecycle Management*** chapter of this report, page 37.			*HC-MS-410a.2*
Supply Chain Management	Percentage of (1) entity's facilities and (2) Tier I suppliers' facilities participating in third-party audit programs for manufacturing and product quality	(1) 100% — We currently operate three facilities that are certified to the ISO 13485:2016 medical device standard and participate in the Medical Device Single Audit Program (MDSAP). (2) 95% of AtriCure's Class A supplier facilities participate in third-party certification and audit programs for manufacturing and product quality, such as ISO 13485 or ISO 9001. See ***Quality Management System***, page 13, and ***Supplier Management Program and Supplier Audits***, page 32.			*HC-MS-430a.1*
Supply Chain Management	Description of efforts to maintain traceability within the distribution chain	See ***Maintaining Traceability*** section of this report, page 33.			*HC-MS-430a.2*
Supply Chain Management	Description of the management of risks associated with the use of critical materials	See ***Critical Materials*** section of this report, page 33.			*HC-MS-430a.3*

Activity Metric(s)		2020	2019	2018	SASB Code
Number of units sold by product category		**2020**	**2019**	**2018**	*HC-MS-000.A.*
Ablation		55,000	65,000	59,000	
LAAM		52,000	53,000	44,000	
Other Devices, Accessories and Generators		64,000	72,000	59,000	
Approximate number of patients reached globally by AtriCure					*HC-BP-000.A*
Patients reached	**Cumulative from 2004 – 2020**	**2020**	**2019**	**2018**	
Ablation	390,000	35,000	41,000	34,000	
LAAM	275,000	52,000	53,000	44,000	
Total	**665,000**	**87,000**	**94,000**	**78,000**	

[1]Representative of weighted average number of patients cited in multiple peer-reviewed and pre-market clinical science reports.

[2]The Society of Thoracic Surgeons, Current News Release (1/30/2018): 1 in 7 Lung Surgery Patients at Risk for Opioid Dependence.

[3]Worldwide Epidemiology of Atrial Fibrillation: A Global Burden of Disease 2010 Study.

[4]Colilla, S., Crow, A., Petkun, W., Singer, D.E., Simon, T., Liu, X. (2013) Estimates of current and future incidence and prevalence of atrial fibrillation in the U.S. adult population. American Journal of Cardiology, 112(8):1142-1147. doi: https://doi.org/10.1016/j.amjcard.2013.05.063.

[5] Lloyd-Jones, D.M., Wang, T.J., Leip, E.P., Larson, M.G., Levy, D., Vasan, R.S., D'Agostino, R.B., Massaro, J.M., Beiser, A., Wolf, P.A., Benjamin, E.J. (2004). Lifetime risk for development of atrial fibrillation. Circulation, 110, 1042-1046. doi: 10.1161/01.CIR.0000140263.20897.42.

[6]Medical management estimate: Colilia, et al. Estimates of Current and Future Incidence and Prevalence of Atrial Fibrillation in the U.S. Adult Population. American Journal of Cardiology 2013, 112: 1142-1147.

Persistent patient estimate: Berisso, et al. Epidemiology of atrial fibrillation: European perspective Clin Epidemiol. 2014; 6:213-220.

[7]CMS ICD-9 and DRG code data sources, STS thoracic database (2018 Harvest Q1).

[8]Kim, M.H. et al., "Estimation of Total Incremental Health Care Costs in Patients with AF in the US," Circulation: Cardiovascular Quality and Outcomes, 4 (2011):313-320.

[9]J Geriatr Cardiol. 2016 Oct; 13(10):880-882, doi: 10.11909/j.issn.1671-5411.2016.10.004.

[10]Santhanakrishnan, R. et al. "AF Begets Heart Failure and Vice Versa," Circulation, 133 (2016):484-492.

[11]Odutayo, A. et al. (2016). Atrial fibrillation and risks of cardiovascular disease, renal disease, and deaths systematic review and meta analysis. BMJ 2016; 354:i4482.

[12]American Heart Association. (2016). *What is atrial fibrillation (Afib or AF)?* https://www.heart.org/en/health-topics/atrial-fibrillation/what-is-atrial-fibrillation-afib-or-af.

[13]American Heart Association. (2015). *High Blood Pressure, Afib and Your Risk of Stroke* https://www.heart.org/en/health-topics/atrial-fibrillation/why-atrial-fibrillation-af-or-afib-matters/high-blood-pressure-afib-and-your-risk-of-stroke.

[14]American College of Cardiology. (2017) Closing Left Atrial Appendage Reduces Stroke Risk from Afib https://www.acc.org/about-acc/press-releases/2017/03/18/08/47/sun-1045am-closing-left-atrial-appendage-reduces-stroke-risk-from-afib.

[15]IFU for EPi-Sense® Guided Coagulation System Data: PMA #200002.