



# 2023 CORPORATE SUSTAINABILITY REPORT

*Merc*

# TABLE OF Contents

## INTRODUCTION

- A Message From Our CEO ..... 4
- Company Profile and 2023 Highlights..... 5
- Mission, Vision, and Values..... 6
- Sustainable Strategies and Priorities .....7

## OUR TEAM MEMBERS

- A Great Place To Work..... 9
- Diversity, Equity, and Inclusion (DEI) .....10
- Young Professionals..... 11
- Teamwork By The Numbers..... 12

## OUR CUSTOMERS

- Community-Centered Banking and Service .....14
- Learning and Engagement..... 15
- Safe, Secure, and Ahead of the Curve.....16
- Personal Loan Product Solutions ..... 18

## OUR SHAREHOLDERS

- Governance Policies and Practices .....20
- Board Oversight ..... 21
- Strategic Management Of Risk..... 22

## OUR COMMUNITIES

- Community Impact ..... 24
- Volunteering Time and Talents ..... 25
- Homeownership — A Group Effort ..... 26
- Making Banking More Accessible ..... 27
- Financial Health and Empowerment ..... 28

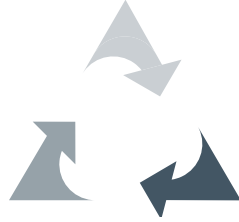
## OUR FOOTPRINT

- Resource Stewardship .....30
- Facility Optimization ..... 31
- Reducing Waste ..... 32

## APENDICIES

- United Nations Sustainable Development Goals.....34
- SASB Table ..... 35
- Corporate Sustainability Matrix..... 38
- Forward-Looking Statement ..... 45

 Throughout the document, you may click the Sustainability Triangle to return to the Table of Contents.



# *Introduction*

A MESSAGE FROM OUR CEO  
COMPANY PROFILE AND 2023 HIGHLIGHTS  
MISSION, VISION AND VALUES  
SUSTAINABLE STRATEGIES AND PRIORITIES

# A MESSAGE FROM OUR *CEO*



Two thousand twenty-three was another year in which Mercantile's performance demonstrated our unwavering commitment to excellence in all that we do. It reflected our ongoing success in providing high-quality products and services to our clients, as well as supporting the communities we serve.

The strength of our Company in 2023 was reflected in numerous metrics and measurements, as our team remained keenly focused on our strategic goals throughout the year.

Many of those goals surround our ongoing efforts in the realm of corporate responsibility, and the report that follows shows the foundational commitment Mercantile has to the betterment of our associates, customers, communities, and shareholders.

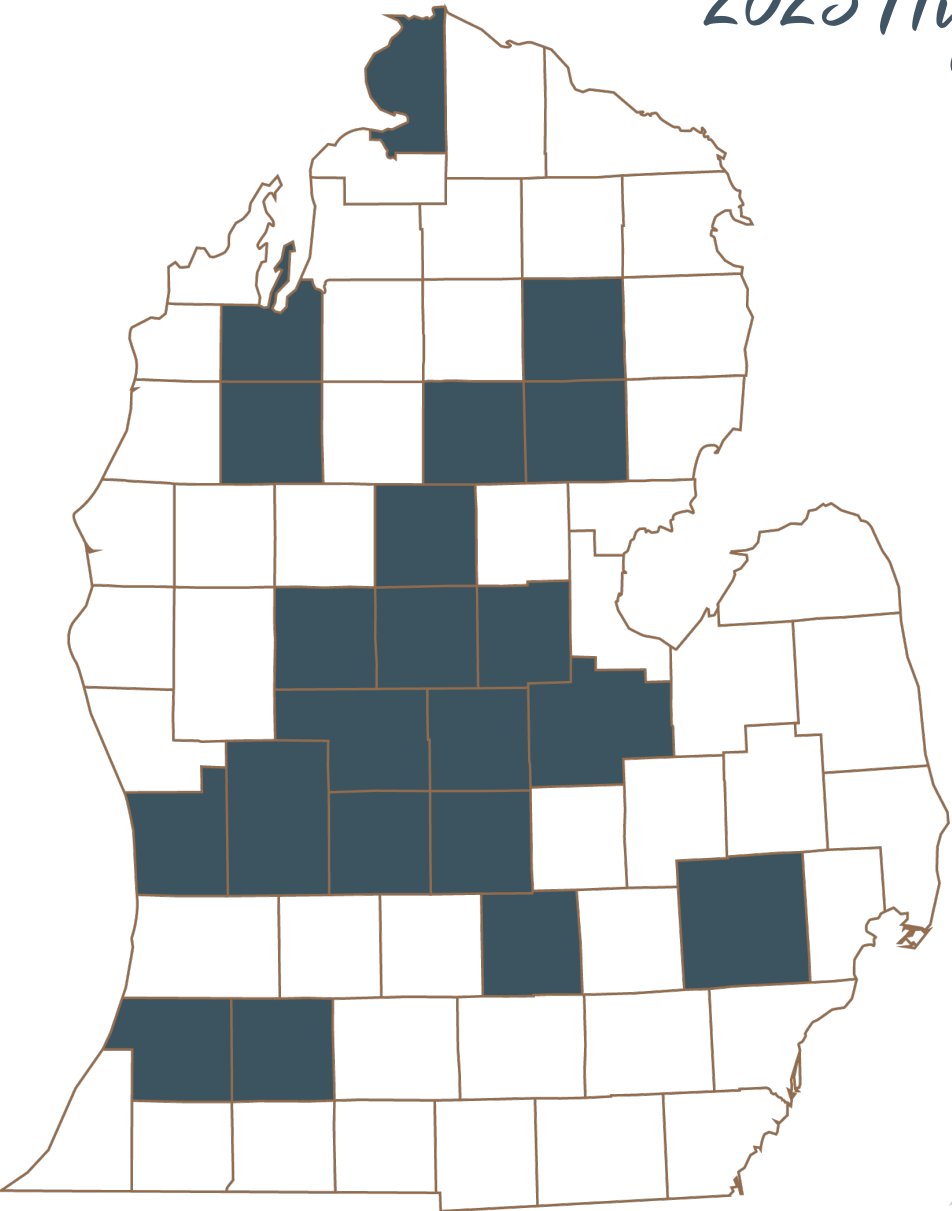
**Robert B. Kaminski, Jr**  
*President and  
Chief Executive Officer*  
Mercantile Bank Corporation

# COMPANY PROFILE AND 2023 *Highlights*

## *Mercantile Bank...*

- Is the **largest** bank headquartered in the state of MI.
- Was founded in **1997** in Grand Rapids, MI.
- Has more than **650 employees** and **43 banking locations**.
- Offers more than **75 products and services** supporting commercial, business, governmental, educational, nonprofit, treasury and personal banking needs.

## *2023 Highlights...*



- Net Interest Margin  
**4.05%**
- Commercial Loan Growth  
**8%**
- Non-Performing/Total Assets  
**0.07%**
- Tangible Equity/Tangible Assets  
**8.9%**
- Total Risk-Based Capital Ratio  
**13.7%**
- Net Income  
**\$82,217,000**
- Basic Earnings Per Share  
**\$5.13**

# Twenty Twenty-Three

## Mission

To deliver financial solutions that empower people to achieve their goals and dreams.

## Vision

To be *the* financial and career partner of choice, bettering the lives of our customers and enriching the communities we serve.

## Values

To build strong relationships, accomplished through: Accountability, Collaboration, Excellence, Inclusivity, and Innovation.

**We believe that by fulfilling our mission, striving towards our vision and living our values, we will provide shareholders of Mercantile Bank Corporation with an excellent return on their investment.**

# SUSTAINABLE STRATEGIES AND *Priorities*

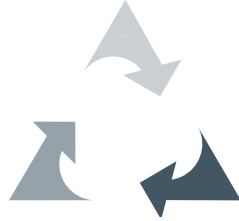
Over the years, our team has continually expanded the ways we implement company-wide efficiencies that positively impact people and the environment. Initiatives include utilizing digital documents to eliminate paper, printing and mailing, and leveraging virtual collaboration platforms to reduce travel and strengthen relationships.

*Sustainability has always been the bedrock of Mercantile's strategic plan and is woven deeply into the fabric of how we do business.*

We define sustainability as the leveraging of combined abilities to ensure our ongoing impact on people and the environment, and our success is always focused on upholding long-lasting, positive results.

Our Corporate Sustainability Committee (CSC) supports our ongoing commitment to environmental, health, safety, corporate social responsibility, corporate governance, sustainability, and other matters relevant to our organization.





## *Our Team Members*

A GREAT PLACE TO WORK  
DIVERSITY, EQUITY, AND INCLUSION (DEI)  
YOUNG PROFESSIONALS  
TEAMWORK BY THE NUMBERS



# A GREAT PLACE TO *Work*

The unique culture of our Company creates an environment for our employees to develop and thrive, while they work to assist those in our communities with their financial needs, goals, and dreams.

*Mercantile is consistently recognized for the outstanding work performed by our team members.*

WEST MICHIGAN'S  
BEST AND  
BRIGHTEST  
COMPANIES  
TO WORK FOR  
WINNER 2023

19  
YEARS  
IN A  
ROW!

We also received West Michigan's Best and Brightest Companies To Work For® Elite Award for Employee Education and Development.

WEST MICHIGAN'S  
BEST AND  
BRIGHTEST  
COMPANIES  
TO WORK FOR  
2023 ELITE  
WINNER

- ★ Best of MichBusiness — 2023 Recipient ★
- ★ Michigan Bankers Association — Financial Literacy Award ★
- ★ 2023 MBA Innovator of the Year Award (3 Years In A Row!) ★
- ★ Heart of West Michigan United Way — Top Campaign Recognition Award ★
- ★ Habitat for Humanity of Kent County — Opportunity Award ★
- ★ Crain's Grand Rapids #1 Top Area Commercial Real Estate Lender ★
  - ★ Crain's Grand Rapids #1 Top Area Bank ★
  - ★ Crain's Grand Rapids #2 Payroll Provider ★
  - ★ Crain's Grand Rapids #3 Mortgage Lender ★

# DIVERSITY, EQUITY, AND INCLUSION (DEI)

In 2023, we hosted a regional event for Diversity, Equity, and Inclusion (DEI) professionals, providing a forum where these leaders could convene, reflect, build relationships, and share resources.



*We are focused on generating a positive impact on individuals, organizations, and entire communities.*

We also continued our internal DEI programs during 2023 by holding six staff “Lead and Learn” programs, where guest speakers engaged employees on various aspects of DEI.



**Dr. Kimberly Barrington**  
*I've Been Dissed*



**Eric Brown**  
*The Evolution & Expansion of the Racial Wealth Gap*



**Erica Chapin**  
*Deaf & Hard of Hearing Part II*



**Charles Elwood**  
*Inclusivity, Freedom & Identity*



**Clement Gibson**  
*Trailblazing Through Financial Dependency*



**Julian Newman**  
*Workplace Culture*

# YOUNG Professionals

We firmly believe that the future of banking lies in the development of young professionals, which is why we have partnered with Grand Valley State University in Grand Rapids, Michigan to develop our Mentoring, Aspiring, Preparing (M.A.P.) program. The focus is to introduce students to Mercantile that may not have considered the banking industry as a career option, by providing them with four years of professional and personal development that aligns with their college curriculum.



Gabriel Brown

*"I have grown tremendously, both academically and professionally, from this experience."*



Kamarion Craig

*"The development and growth that I have achieved by being able to be on campus and learn at the Bank has deeply changed the nature of my mind."*



Nadia Miller

*"I had limited knowledge of the banking industry and what it had to offer. This experience has allowed me to broaden my horizons and given me something to look forward to."*



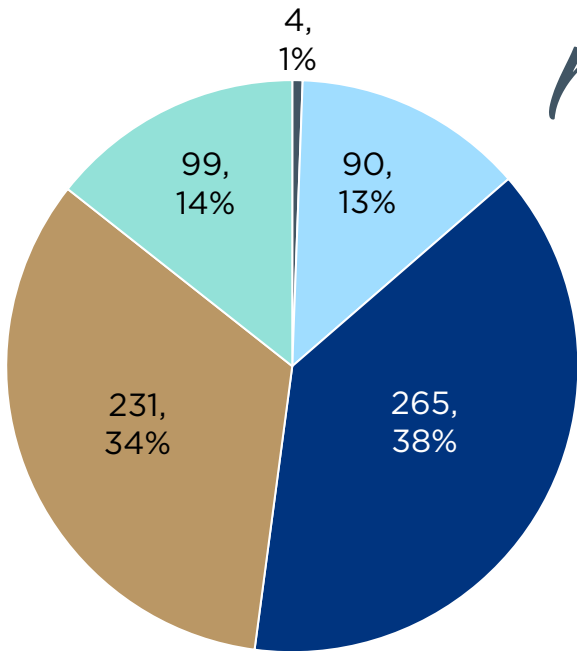
Darian Quinn

*"This scholarship has been financially rewarding and allowed me to pursue my education and learn more about the opportunities within the banking industry."*



# TEAMWORK BY THE *Numbers*

## Multi-generational Workforce



- Generation Traditionalists (Silent): 1928 - 1945
- Generation Baby Boomers: 1946 - 1964
- Generation X: 1965 - 1980
- Generation Y (Millennials): 1981 - 1996
- Generation Z (iGen): 1997 - 2012

## 674 Associates\*



**67.1%** (452)  
Female Associates



**32.9%** (222)  
Male Associates

## 288 Officers



**55.2%** (159)  
Female Officers

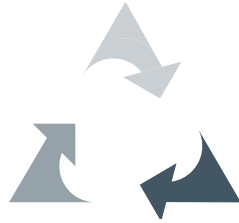


**44.8%** (129)  
Male Officers

\* Includes Full-Time (FT) and Part-Time (PT)

\*\* Full-Time Equivalents (FTEs) = 651.75





## *Our Customers*

COMMUNITY-CENTERED BANKING AND SERVICE  
LEARNING AND ENGAGEMENT  
SAFE, SECURE, AND AHEAD OF THE CURVE  
PERSONAL LOAN PRODUCT SOLUTIONS

## COMMUNITY-CENTERED BANKING AND *Service*

While our products, services, and the resources that back them are strong, the Mercantile experience enjoyed by our customers is only made possible by our stellar employees. When we hear stories about how we helped customers reach their financial goals, address challenging situations, or take advantage of new opportunities, it underscores the importance of Mercantile as a premier community banking organization and the significant impact we make on the many lives we touch.



*I truly love Mercantile Bank and will continue to do all my banking there. My wife and I had a hard time getting an account due to our past, and Mercantile gave us a chance to start again. Thank you!*

*- MercStart Fresh™\* Customer*

\*The [MercStart Fresh™](#) program was created as a tool to help customers who have had obstacles in obtaining a checking account due to previous challenges with banking (non-fraud related). This is truly a “Fresh Start” for those customers.

# LEARNING AND *Engagement*

Intentional engagement and learning opportunities provide team members with the skills necessary to perform their jobs effectively, opportunities to collaborate and grow, and to exceed our customers’ expectations while fulfilling all the legal and compliance requirements of a financial institution.

*Other ways we engage team members and learn together include:*

- Third-party employee engagement survey administered every two years
- Senior management team travels to meet and engage with staff on strategic goals annually
- Quarterly videos covering Bank updates, new hires, tips, awards, department spotlights, and commentary from management
- Annual regional events for staff and their families
- Fun Committee for Bank-wide participation in themed days and events
- Annual take your daughters and sons to work day
- Idea Incubator allows staff to submit ideas for improvement



100% of team members completed the following compliance training in 2023, with most associates receiving additional job-specific training beyond this list:

- Bank Secrecy Act (BSA) and Anti-Money Laundering (AML)
- Community Reinvestment Act (CRA)
- Understanding Privacy: The Gramm-Leach-Bliley Act (GLBA)
- Robbery Prevention and Response
- Fair Lending Compliance
- Identity Theft Red Flags: Duties of Financial Institutions and Creditors
- Business Continuity and Disaster Recovery
- Financial Exploitation Prevention
- Active Shooter Training
- Health Insurance Portability and Accountability Act of 1996 (HIPAA)
- Cyber/Information Security Courses

## *Additional Training Hours*

| Hours Invested | Recipients         |
|----------------|--------------------|
| <b>917</b>     | Supervisors        |
| <b>288</b>     | Board of Directors |

# SAFE, SECURE, AND *Ahead of the Curve*

Mercantile and its Board recognize the importance of safeguarding sensitive customer information, and that the protection of this information ranks as one of its highest priorities. Our enterprise risk management program is continuously identifying, assessing, and mitigating risks across all aspects of our Company, including financial, operational, regulatory, reputational, and legal. Cybersecurity is a critical component of this program, given the increasing reliance on technology and potential cyber threats.

*We're invested in safe and secure data, and seek to ensure it in the following ways:*

- \* Annual review and approval of the Information Cyber Security Program and Policy (“ICSPP”) and Information Cyber Security Response Policy (“ICSRP”).
- \* Senior Management oversees efforts to develop, implement and maintain the ICSPP.
- \* Third-party management detection and response-company actively monitors the security of the Bank’s information systems around-the-clock.

- \* The Board of Directors is responsible for reviewing and approving the ICSPP and ICSRP at least annually and monitoring material risks facing our Company.

The Bank’s Information Security team conducted random monthly phishing tests to challenge associates and keep them vigilant. Additionally, all team members successfully completed the following Information Security training in 2023:

- Incident Reporting
- Social Engineering
- Introduction to Phishing Emails and Websites
- Malware and Ransomware
- Mobile Device Defense
- Perfecting Passwords
- Physical Security



# Additional ways we add value and security . . .

## *. . . by Protecting Clients and Online Services*

- Account and Security Alerts
- Biometric Recognition
- Endpoint Detection and Response
- Facial Recognition
- Fraud Reporting
- Multi-Factor Authentication
- Password-Controlled Secure Login for Online and Mobile Banking
- Routers and Firewalls
- Sectigo RSA Domain Validation Secure Server CA
- Secure Email
- Secure File Sharing (sFTP)
- Security Event and Incident Management
- SHA-256 with RSA Encryption
- Temporary Access Code (TAC)
- Transport Layer Security (TLS)
- Ultimate ID+®
- Whole Disk Encryption

## *. . . with Business Products and Services*

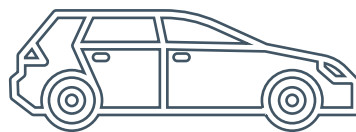
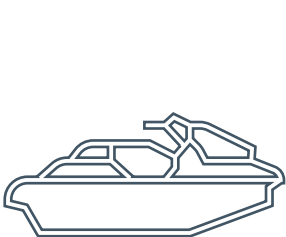
- ACH Positive Pay
- Automated Sweep Services
- Business Certificate of Deposit
- Business Checking
- Business Money Market
- Business Savings
- Card Management Solutions
- Check Positive Pay
- Commercial Analysis Checking
- Commercial Loan Solutions
- Commercial Mortgage Solutions
- Credit and Debit Cards
- Dual Control
- Governmental Deposit Account Solutions
- International Banking
- Intra-FI FDIC Insured Deposit Accounts
- MercForce® Workforce Solutions - Payroll, HR, Benefits and Time Integration
- Merchant Card Processing
- Mobile Remote Deposit Capture (mRDC)
- Non-Profit Checking
- Online Banking
- Online Bill Pay
- Online Review of Suspect Items
- Online Statements
- Payables Solutions
- Payee Match
- Payroll Cards
- Receivables Solutions
- Reloadable Cards
- Remote Deposit Capture (RDC)
- Reporting and Fraud Mitigation
- SmartSate
- Virtual Vault
- Wire Transfer - Domestic and International

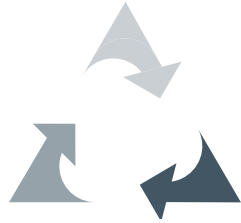
# PERSONAL LOAN PRODUCT *Solutions*

We understand that banking is not a one-size-fits-all industry, which is why Mercantile has developed a diversified suite of personal loan solutions to fit nearly any situation.

- Automobile & Recreational Vehicle (RV) Loans
- Bridge Mortgage Loans
- Community Champion Mortgage Loans
- Conforming Mortgage Programs with Fannie Mae & Freddie Mac
- Construction Mortgage Programs
- Credit Builder Loans
- Doctor & Dentist Mortgage Loans
- Electric Vehicle/Green Auto Loans
- ESG Green Loan
- Extra Credit - First-Time Home Buyer Programs
- Home Equity Loans
- Homeownership Opportunity Programs (HOP) Grants
- Jumbo Mortgage Program
- Lot & Land Mortgage Programs
- Mortgage Credit Certificate (MCC) Program
- Non-Conforming Mortgage Programs
- Online Mortgage Applications
- Personal Loans
- Rural Development Loans
- Single & Double-Wide Mortgage Loans
- Traditional Mortgage Programs
- Veteran Affairs Home Loans

*Mercantile offers a wide variety of personal loan products and solutions to fit our customer's needs.*





## *Our Shareholders*

GOVERNANCE POLICIES AND PRACTICES

BOARD OVERSIGHT

STRATEGIC MANAGEMENT OF RISK

# GOVERNANCE POLICIES AND *Practices*

Our Corporate Sustainability Committee (CSC), comprised of Mercantile team members representing various departments within the Company, reports up through the Governance and Nominating Committee of the Board of Directors. The CSC regularly reviews and implements best practices, striving to ensure that our Company's strategic plan reflects both the short and long-term objectives to position Mercantile as a leader when it comes to environmental, social, and governance matters.

*Our diverse Boards help to promote equitable representation.*

25%

Female  
Directors

88%

Independent  
Directors

44%

Board  
Demographic  
Diversity

*\* Percentages reflect combined Mercantile Bank and Mercantile Bank Corporation Board of Directors.*

The following Governance policies are reviewed annually and made publically available via the Bank's Investor Relations website at [ir.mercbank.com/overview/documents](https://ir.mercbank.com/overview/documents):

- \* [Anti-Bribery and Anti-Corruption Policy](#)
- \* [Clawback Policy](#)
- \* [Code of Ethics Policy](#)
- \* [Corporate Governance Guidelines](#)
- \* [Diversity, Equity, and Inclusion Policy](#)
- \* [Environmental Policy](#)
- \* [Human Rights Policy](#)
- \* [Insider Trading Policy](#)
- \* [Supplier Diversity Program Policy](#)
- \* [Vendor and Supplier Code of Conduct](#)

# BOARD Oversight



David Cassard\*  
Retired  
Real Estate Executive



Michael Davenport\*  
Jireh Metal Products



Tom Dickinson  
Biggs, Hausserman,  
Thompson & Dickinson



Michelle Eldridge\*  
Clear Ridge  
Wealth Management



Kurt Hassberger  
Retired  
Rockford Construction



Joe Jones  
The Hekima Group



Bob Kaminski\*  
Mercantile Bank



Rich MacDonald  
The Hinman Company



Mike Price\*  
Retired  
Mercantile Bank



David Ramaker\*  
Retired  
Banking Executive



Ray Reitsma\*  
Mercantile Bank



Nelson Sanchez  
RoMan Manufacturing



Sara Schmidt  
US Foods



Phil Seybert  
PS Equities



Amy Sparks\*  
Nuvar, Inc.



Shoran Williams  
Attorney

\* Bios of Corporate Board Members can be viewed by clicking on their photo.

# STRATEGIC MANAGEMENT OF *Risk*

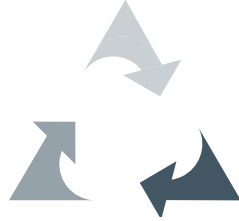
When done right, these strategies are reflected in our bottom-line success for all our stakeholders. The history of our ability to grow our position in innovative ways, while remaining strong, secure and profitable, speaks to our commitment to uphold our values and leverage our talented and experienced team to ensure the company is sustainable and strong, far into the future.

*We are steadfastly focused on creating long-term value through meaningful relationships and management of risk.*



## *The Role of the Board and Executive Management*

- \* Board and Audit Committee oversight of risk management practices—responsible for definition, structure, implementation and coordination of the Bank’s risk management plan.
- \* The Bank’s Chief Risk Officer is a member of the Corporate Sustainability Committee (CRC) and the Enterprise Risk Management Committee (ERMC), which provide high-level attention and coordination to the risk management process, policies, procedures and routine risk mitigation oversight.
- \* The Board reviews and discusses the Enterprise-Wide Risk Assessment Report on a quarterly basis.
- \* The Bank regularly consults with its independent audit firm, legal counsel, independent investment banking firms and regulators to anticipate emerging risks and mitigate future threats.



## *Our Communities*

COMMUNITY IMPACT  
VOLUNTEERING TIME AND TALENTS  
A GROUP EFFORT  
MAKING BANKING MORE ACCESSIBLE  
FINANCIAL HEALTH AND EMPOWERMENT

# COMMUNITY *Impact*

Making a positive impact on our communities is directly reflected in the organizations with whom we choose to partner, as they represent causes and issues about which our team members are passionate. The following numbers reflect the amount donated per United Nations Strategic Development Goal (SDG) Category in 2023, which totaled over \$1 million dollars.



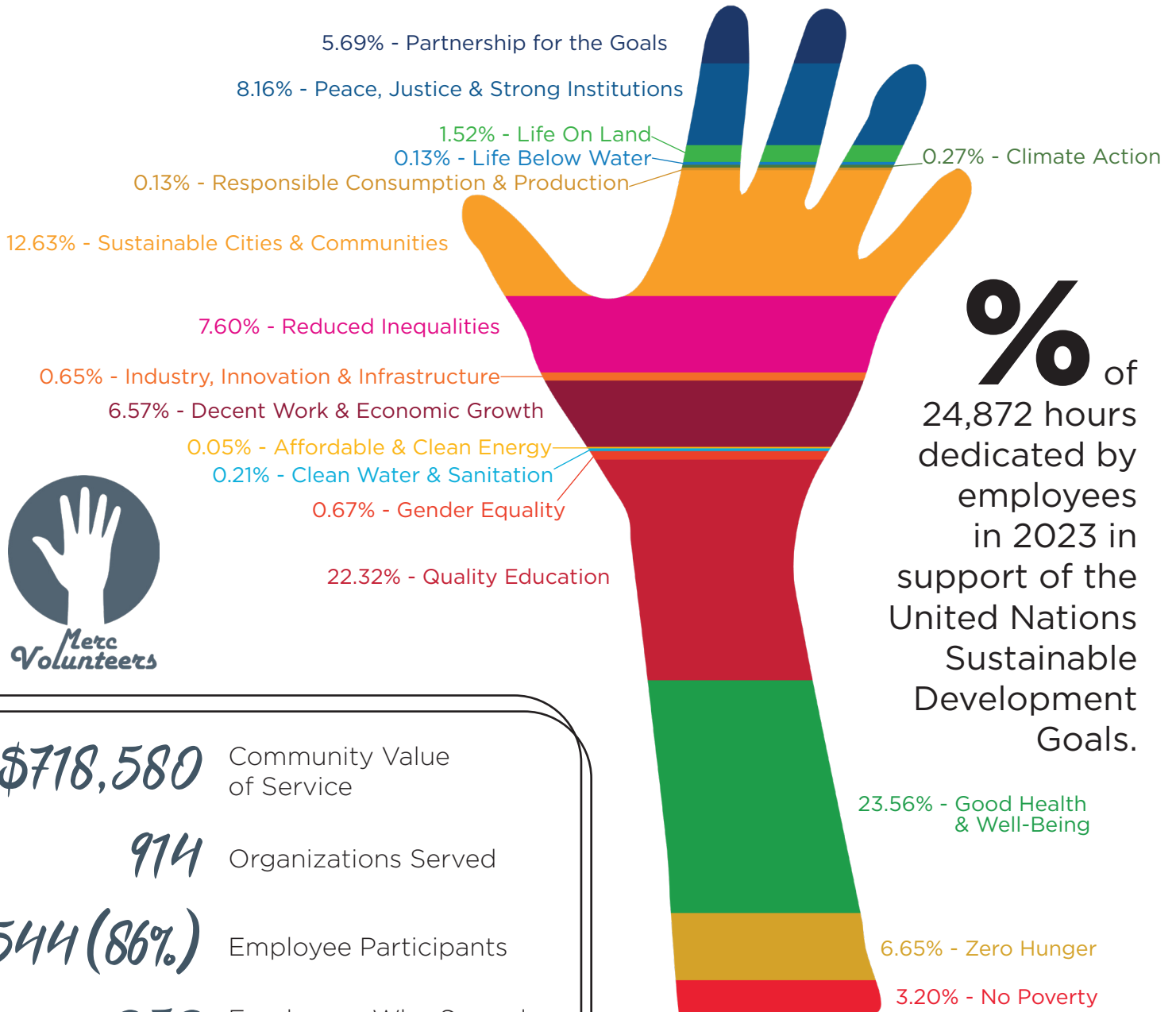
*We also made a positive impact in the following ways...*

- \* Provided 1,288 Small Business/Community Reinvestment Act (CRA) Loans totaling \$347 million dollars
- \* 116 Community Development Loans totaling over \$430 million dollars
- \* 422 First-Time Home Buyer (Extra Credit) Program participants received a total of \$270,000
- \* 14 Community Champion Mortgages totaling over \$4 million dollars
- \* Our annual giving campaign resulted in team-member pledges totaling over \$135,000 to Michigan United Way agencies.



# VOLUNTEERING *Time and Talents*

Our employees are passionate about the roles they play not only with clients but also within our communities. This past year, Mercantile once again made a significant impact throughout our footprint, with both financial support and the offering of time and talent to various organizations and causes.



**\$718,580** Community Value of Service

**914** Organizations Served

**544 (86%)** Employee Participants

**353** Employees Who Served on a Board or Committee

## HOMEOWNERSHIP — A GROUP *Effort*

Some of our most impactful work this past year included financial education, mortgage down payments and other homeownership assistance.

*We had the opportunity to provide over \$150,000 in HomeBoost grants to first-time home buyers who identify as Black, Asian, Hispanic, Indian American or Alaskan Native and/or Pacific Islander.*

We were also able to facilitate Neighborhood Impact Program grants totaling over \$250,000 to help 30 families with deferred maintenance projects. In addition, Mercantile team members led over 300 financial education courses reaching over 5,000 potential homeowners.

*Another noteworthy accomplishment was the formation of Mercantile Community Partners.*

This entity focuses on tax credit investments across our markets, and deepens Mercantile's commitment to the communities we serve by concentrating on low-income housing developments and historic building rehabilitations.



# MAKING BANKING MORE *Accessible*

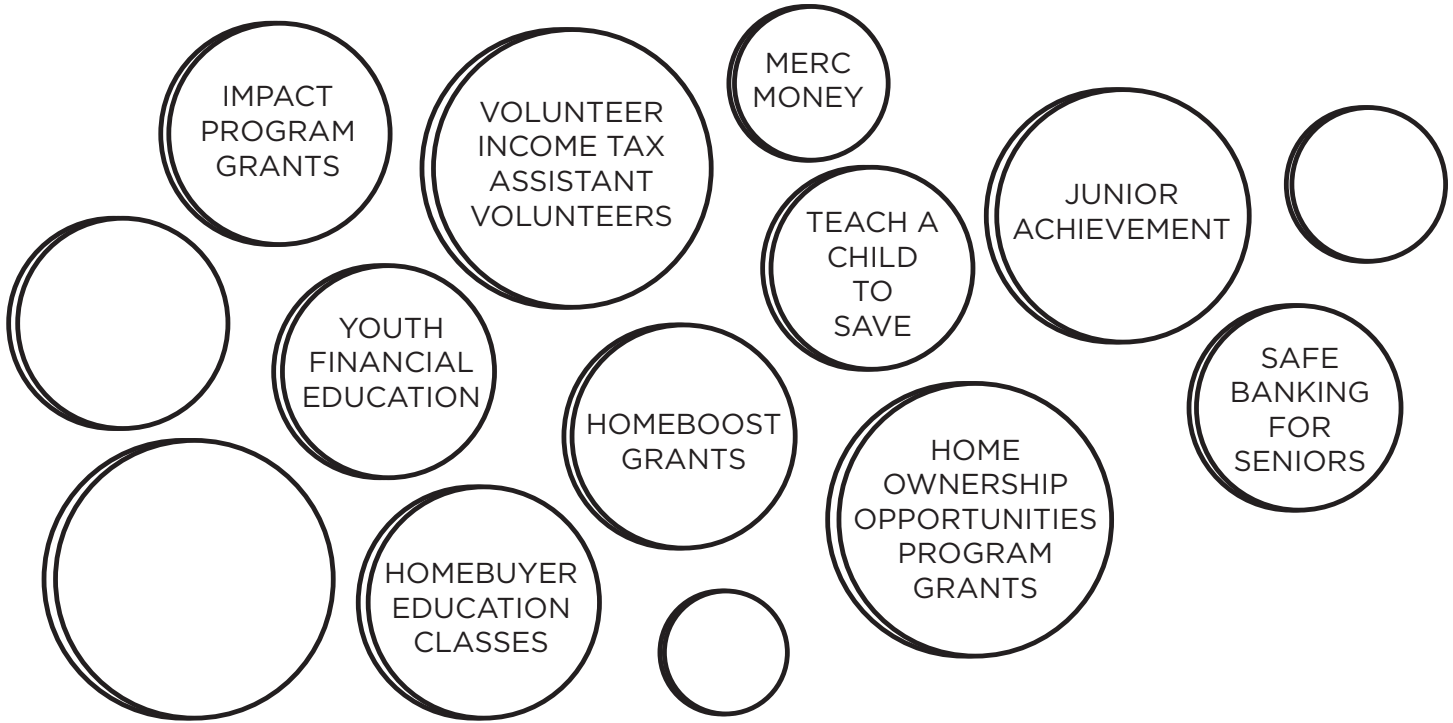
One of our highest goals as an institution is to make the world of banking more accessible to EVERYONE. Mercantile demonstrates this in the following ways:

- 34,000 MoneyPass® Network ATMs
- ADA-Compliant Website Colors & Fonts
- Appointment Scheduling
- CardSwap
- Certificates of Deposit
- ClickSWITCH
- Gift & Reloadable Cards
- Health Savings Accounts (HSA)
- Let's Chat — Virtual Personal Banker
- Live ATMs
- MercCredit & MercDebit
- MercMobile®
- MercMoney®
- MercPerks with Ultimate ID+® Identity Theft Solution
- Merc Personal Payments (via PayPal)
- MercStart Fresh™ Account for Adults
- MercStart™ Account for Teens
- Mobile Wallet
- Online Account Applications
- Online Mortgage Applications
- Online Banking and Bill Pay
- Real-Time Payments
- Secured Credit Card
- Senior Community Checking Account
- Student Savings Account

*Our Summer Internship Program offers students the opportunity to discover what a career in banking can offer.*

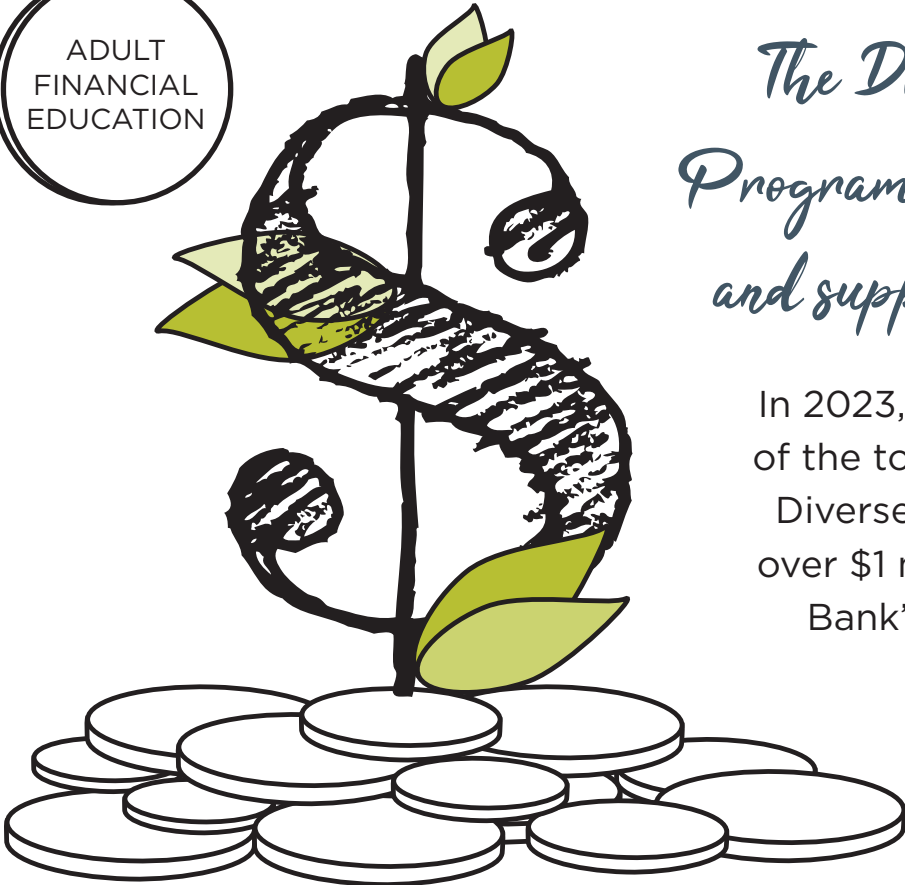


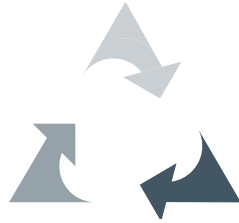
# FINANCIAL HEALTH AND *Empowerment*



*The Diverse Supplier Vendor Program helps build relationships and support our diverse vendors.*

In 2023, Mercantile engaged **94** out of the total **117** participants from the Diverse Supplier Program, totaling over \$1 million dollars or **2.1%** of the Bank's total spend for the year.





## *Our Footprint*

RESOURCE STEWARDSHIP

FACILITY OPTIMIZATION

REDUCING WASTE

# RESOURCE *Stewardship*

Our Corporate Sustainability Committee is hard at work, not only reviewing our current operational practices but also proactively planning for future efficiency initiatives and assessing any potential climate-related risks. We believe that this type of forward thinking is not only good business but reflective of our values in doing what is right for all our constituents, communities, and the planet. To accomplish our work and remain good stewards of all the resources to which we have been entrusted, our entire company is committed to being accountable, collaborative, inclusive, innovative, and delivering everything with a high level of care and excellence.

*Metric tons of electronic recycling captured since 2018.*

**12.08t**

MIXED ELECTRONICS

**2.05t**

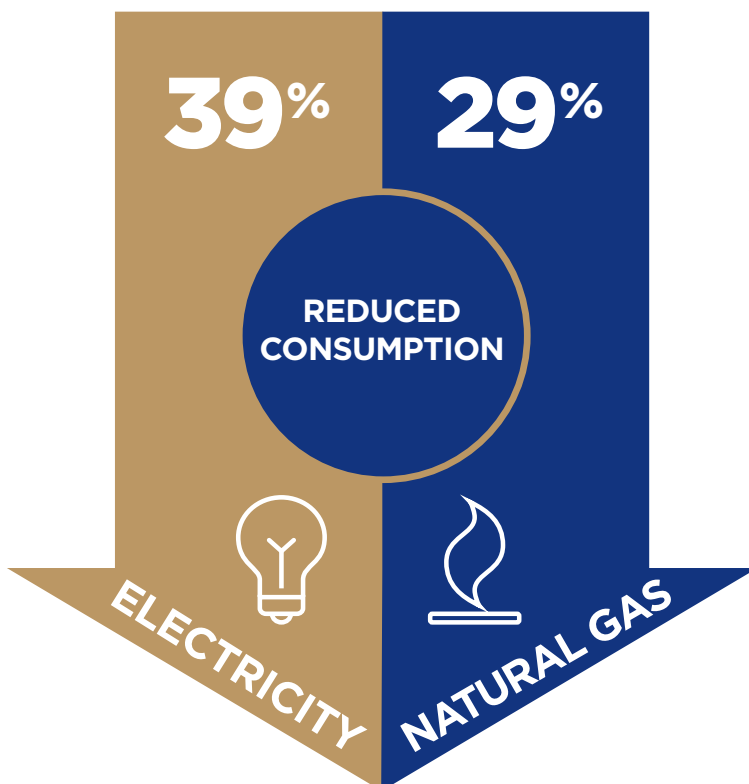
FLAT PANELS/MONITORS

**0.42t**

RECYCLED WIRE

*Electronic recycling vendors are certified to ISO/4001 and ISO 45001 Standards.*

*Capturing a baseline that trends in the right direction.*



Conserving the resources we have is also a top priority at Mercantile, which is why we continue to focus on using less of the resources available to us. Over the past five years, we have seen a significant reduction in the Bank's consumption of electricity and natural gas.

# FACILITY *Optimization*

Efficiency is top of mind as we operate and maintain all of our locations. In 2023, we invested in capital improvements by refreshing four facilities, and expanded our branch network with three new locations, extending our market presence in northern and central Michigan. All were completed with high-efficiency and environmentally conscious updates, such as building management systems, LED lighting and sensors, and low-flow water fixtures to reduce the usage of resources.

To better serve our clients, Mercantile added seven new Live ATMs in 2023, bringing our total to 27 units across 22 branches system-wide.



## REDUCING *Waste*

We always seek to lessen our impact on the environment when considering the aspect of waste within the context of our business practices, aiming for the ultimate goal of preserving natural resources in a sustainable manner. In 2023, we sponsored 15 community shred events, in addition to monthly secure shred collection from all of our facilities, resulting in 184 tons of paper diverted from landfills. We also have water bottle-filling stations, plastic, glass, and cardboard recycling, and use LED lighting.

*Diverting paper from landfills garnered the following results:*

**1,289,311**  
GALLONS OF  
WATER SAVED

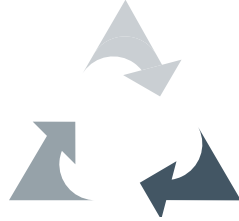
**⚡ 755,064** KILOWATS OF  
ENERGY SAVED

**3,115**  
TREES  
SAVED



**719**  
CUBIC METERS OF  
LANDFILL SAVED





## *Appendices*

UNITED NATIONS  
SUSTAINABLE DEVELOPMENT GOALS  
SASB TABLE  
CORPORATE SUSTAINABILITY MATRIX  
FORWARD-LOOKING STATEMENTS

# UNITED NATIONS SUSTAINABLE DEVELOPMENT *Goals*

In 2018, Mercantile began utilizing the 17 United Nations Sustainable Development Goals (UNSDGs) to align all our community service activities as a reflection of how our acts are positively impacting the world. We have identified the following UNSDGs that best represent our ESG corporate giving and volunteer service.



## SUSTAINABLE DEVELOPMENT GOALS



Pages [6](#), [14](#), [15](#), [24](#),  
[25](#)



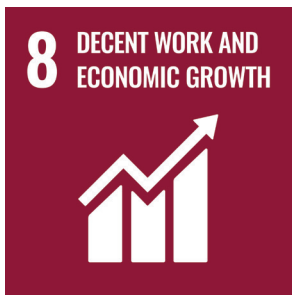
Pages [6](#), [24](#), [25](#)



Pages [15](#), [16](#), [24](#), [25](#)



Pages [11](#), [24](#), [25](#)



Pages [5](#), [11](#), [15](#), [16](#),  
[22](#), [24](#), [25](#), [28](#)



Pages [10](#), [11](#), [12](#), [14](#),  
[15](#), [18](#), [20](#), [24](#),  
[25](#), [26](#), [27](#), [28](#)



Pages [7](#), [15](#), [24](#), [25](#),  
[26](#), [27](#), [28](#), [30](#),  
[31](#), [32](#)



Pages [24](#), [25](#), [30](#)

# SASB Table

The index below includes SASB standards for the Financial Sector that are relevant for our business: Commercial Banks. Unless otherwise noted, all data and descriptions apply to our entire firm and are as of or for the year ended December 31, 2023. For additional information about our financial performance, please refer to the Company's quarterly earnings materials as well as quarterly and annual reports on Form 10-Q and Form 10-K, respectively.

Certain information may not be disclosed within the index below if it is not considered material; privileged or confidential; could cause a competitive disadvantage to our business if publicly disseminated; or is not currently collected in a manner wholly correlative with the related SASB metric.

| TOPIC                                   | CODE         | METRIC  | DISCLOSURE   |
|---|--------------|---|--|
| Data Security                           | FN-CB-230a.1 | (1) Number of data breaches (2) Percentage involving personally identifiable information (PII) (3) Number of account holders affected   | (1) 0<br>(2) 0%<br>(3) 0<br>Any material cybersecurity incidents would be reported in a periodic, annual, or quarterly report.   |
| Data Security                           | FN-CB-230a.2 | Description of approach to identifying and addressing data security risks   | Please see Item 1C. Cybersecurity of our <a href="#">December 31, 2023 Form 10-K</a> , on page 21.   |
| Financial Inclusion & Capacity Building | FN-CB-240a.1 | (1) Number of loans outstanding qualified to programs designed to promote small business and community development (2) Amount of loans outstanding qualified to programs designed to promote small business and community development | (1) 116 Community Development Loans, 1,288 Small Business/Community Reinvestment Act (CRA) Loans; (2) \$430,557,207 Community Development Loans, \$346,898,000 Small Business/Community Reinvestment Act (CRA) Loans |
| Financial Inclusion & Capacity Building | FN-CB-240a.2 | (1) Number and (2) Amount of past due and nonaccrual loans qualified to programs designed to promote small business and community development   | Not Disclosed  |

| TOPIC   | CODE         | METRIC  | DISCLOSURE   |
|---|--------------|---|--|
| Financial Inclusion & Capacity Building   | FN-CB-240a.3 | Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers   | Mercantile Bank offers two low-cost checking accounts (fees may be waived if certain requirements are met). MercStart™ is an account designed for students ages 13 to 17 that provides the convenience of a traditional checking account while encouraging healthy banking habits. 896 accounts. MercStart Fresh™ is BankOn Certified, and an account developed for customers with previous banking obstacles to assist them with maintaining a deposit account while developing healthy banking habits; overdraft and dormant fees are waived. 59 accounts. |
| Financial Inclusion & Capacity Building   | FN-CB-240a.4 | Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers  | Over 319 financial literacy courses were offered to over 5,083 participants that were considered low or moderate income (LMI)  |
| Incorporation of Environmental, Social, and Governance Factors in Credit Analysis | FN-CB-410a.1 | Commercial and industrial credit exposure, by industry  | Please see our <a href="#">Investor Presentation from Q4 and Year-End 2023</a> , page 27   |
| Incorporation of Environmental, Social, and Governance Factors in Credit Analysis | FN-CB-410a.2 | Description of approach to incorporation of environmental, social, and governance (ESG) factors in credit analysis  | It is the Environmental Risk Management Policy of the Bank to perform a risk analysis to evaluate all lending and real estate activities for existing and potential environmental liabilities.   |
| Business Ethics   | FN-CB-510a.1 | Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations | Please see Part 1, Item 3. Legal Proceedings from our <a href="#">December 31, 2023 Form 10-K</a> , page 22 In the opinion of management, we are not a party to any legal proceedings that are material to our financial condition, either individually or in the aggregate.   |
| Business Ethics   | FN-CB-510a.2 | Description of whistleblower policies and procedures  | Please see our <a href="#">Code of Ethics Policy</a> , Section III, on page 3 and our Business Conduct Contact Form on our website under Investor Relations - Governance Documents   |

| TOPIC                    | CODE         | METRIC   | DISCLOSURE   |
|--------------------------|--------------|--|--|
| Systemic Risk Management | FN-CB-550a.1 | Global Systemically Important Bank (G-SIB) score, by category  | Mercantile Bank is not identified as a Global Systemically Important Bank (G-SIB) for 2023 and therefore does not have a score; this metric is not relevant to our business  |
| Systemic Risk Management | FN-CB-550a.2 | Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, longterm corporate strategy, and other business activities | The Bank monitors its risk factors continuously, formally documenting risk and control assessments on each factor on a quarterly basis, maintaining historical documentation along with an analysis of the projected and desired risk outcomes and any projected risk discrepancy. The Bank regularly consults with its independent audit firm, legal counsel, independent investment banking firms and regulators to anticipate emerging risks and mitigate future threats. A capital stress test is conducted as part of the annual budget review and approval process that centers around the expected performance of our loan portfolio under a variety of economic scenarios. |
| ACTIVITY METRICS         |              |  |  |
|                          | FN-CB-000.A  | (1) Number and (2) Value of checking and savings accounts by segment: (a) personal and (b) small business  | Please see our <a href="#">Investor Presentation from Q4 and Year-End 2023</a> , page 19   |
|                          | FN-CB-000.B  | (1) Number and (2) Value of loans by segment: (a) personal, (b) small business, and (c) corporate  | Please see our <a href="#">Investor Presentation from Q4 and Year-End 2023</a> , page 23   |

# CORPORATE SUSTAINABILITY *Matrix*

| CATEGORY        | METRIC                             | UPDATE   |
|-----------------|------------------------------------|--|
| Audit & Risk    | Anti-Pledging & Anti-Hedging       | <a href="#">Insider Trading Policy</a> has all insiders sign and agree to anti-pledging and anti-hedging policies  |
| Audit & Risk    | Audit                              | The Company has annual information security audits performed by Rehmann  |
| Audit & Risk    | Audit                              | The Company's Internal Audit Director reports directly to the Audit Committee (comprised of 100% independent Directors)  |
| Audit & Risk    | Customer Protection                | Ways we protect customers: Password-Controlled Secure Login - Online & Mobile Banking, Multi-Factor Authentication, Sectigo RSA Domain Validation Secure Server CA, SHA-256 with RSA Encryption, Transport Layer Security (TLS), Temporary Access Code (TAC), Facial and Biometric Recognition, Fraud Reporting, Ultimate ID+®, Account and Security Alerts, MercMobile® App, MercDebit integrated into online banking, MercCredit App, Secure Email, Secure File Sharing, Routers and Firewalls, Security Event and Incident Management, Whole Disk Encryption, Endpoint Detection and Response. Online Statements, Online Banking and Bill Pay, Dual Control, ACH Positive Pay, Check Positive Pay, Online Review of Suspect Items, Payee Match, Remote Deposit Capture and Mobile Remote Deposit Capture, Automated Sweep Services, Payroll Cards |
| Audit & Risk    | Financial Experts                  | The Company's Audit Committee has identified four (4) financial experts  |
| Audit & Risk    | Information Security               | Bank and Company Directors receive information security training and updates from senior management at least annually; The Bank's Technology Committee meets quarterly and is responsible for information security oversight with four (4) independent Directors from the Bank Board attending as members; Company & Bank Directors receive Technology Committee minutes quarterly; One (1) member of the Bank's Board of Directors is a cybersecurity professional  |
| Audit & Risk    | Insurance                          | The Company maintains insurance policies for information security risks  |
| Audit & Risk    | Policies                           | <a href="#">Code of Ethics Policy</a> ; <a href="#">Conflict of Interest</a> ; <a href="#">Insider Trading Policy</a> ; <a href="#">Corporate Governance Guidelines</a> ; <a href="#">Policy Against Harassment</a> ; <a href="#">Diversity, Equity, and Inclusion Policy</a> ; <a href="#">Supplier Diversity Program Policy</a> ; <a href="#">Vendor and Supplier Code of Conduct</a> ; <a href="#">Environmental Policy</a> ; <a href="#">Human Rights Policy</a> ; <a href="#">Non-Discrimination and Equal Employment Opportunities (EEO)</a> ; <a href="#">Clawback Policy</a> ; <a href="#">Anti-Bribery and Anti-Corruption Policy</a> ; <a href="#">Bank Secrecy Act (BSA)</a> , <a href="#">Anti-Money Laundering (AML)</a> , <a href="#">Customer Identification and Due Diligence Programs</a>   |
| Audit & Risk    | Training                           | The Company requires the Directors and all staff to complete annual information security training as well as assigned compliance training  |
| Board Structure | Corporate Sustainability Committee | The Corporate Sustainability Committee meets formally at least once a quarter; The Company's Governance and Nominating Committee maintains oversight of the Corporate Sustainability Committee   |

| CATEGORY               | METRIC                             | UPDATE  |
|------------------------|------------------------------------|---|
| Board Structure        | Corporate Sustainability Committee | The Corporate Sustainability Committee developed, and the Board of Directors adopted, the following policies: <a href="#">Environmental Policy</a> , <a href="#">Diversity, Equity and Inclusion Policy</a> , <a href="#">Human Rights Policy</a> , <a href="#">Supplier Diversity Program Policy</a> , <a href="#">Vendor and Supplier Code of Conduct</a> , <a href="#">Anti-Bribery and Anti-Corruption Policy</a> ; <a href="#">Bank Secrecy Act (BSA)</a> , <a href="#">Anti-Money Laundering (AML)</a> , <a href="#">Customer Identification and Due Diligence Programs</a> |
| Board Structure        | Diversity                          | 25% of the Company's Board of Directors represent racial diversity; 25% of the Company's Board of Directors represent gender diversity  |
| Board Structure        | Independence                       | 75% of the Company's Board of Directors are considered independent; 88% of the Bank's Board of Directors are independent  |
| Board Structure        | Independence                       | The Executive Session Facilitator (Lead Director) is an independent Director  |
| Board Structure        | Independence                       | The Chair of the Audit Committee is an independent Director   |
| Board Structure        | Independence                       | The Chair of the Compensation Committee is an independent Director  |
| Board Structure        | Independence                       | The Chair of the Governance and Nominating Committee is an independent Director   |
| Board Structure        | Independence                       | 100% of the Audit Committee members are independent Directors; Internal Audit Director reports to the Audit Committee   |
| Board Structure        | Independence                       | 100% of the Compensation Committee members are independent Directors  |
| Board Structure        | Independence                       | 100% of the Governance and Nominating Committee members are independent Directors   |
| Board Structure        | Performance Evaluation             | The Governance and Nominating Committee Charter requires an annual performance evaluation of the Board and its Directors  |
| Carbon & Climate       | Efficiencies                       | 51% reduction of printed documents since January 1, 2019  |
| Carbon & Climate       | Efficiencies                       | All new construction and renovation projects include low-flow devices and LED lighting to keep future energy usage lower  |
| Carbon & Climate       | Electric Vehicle                   | Purchased one (1) Electric Vehicle for courier delivery use in 2023   |
| Carbon & Climate       | Electric Vehicle Charging Stations | Two Electric Vehicle (EV) Chargers are available for employee and public use  |
| Carbon & Climate       | Electricity Usage                  | Over the past five years, electricity usage has been reduced by 39%   |
| Carbon & Climate       | Natural Gas Usage                  | Over the past five years, natural gas usage has been reduced by 29%   |
| Carbon & Climate       | Renovations & Construction         | Follow LEED Green certifications whenever possible  |
| Labor, Health & Safety | Diversity                          | FTEs (12-31-2023) – 651.75<br>WORKFORCE GENDER DIVERSITY – 67.1% female, 32.9% male<br>OFFICER GENDER DIVERSITY – 55.2% female, 44.8% male<br>BANK BOARD DIVERSITY – 25% female gender diversity, 44% racial/ethnic diversity<br>DIVERSE HIRES – 16.9%  |
| Labor, Health & Safety | Diversity, Equity & Inclusion      | All employees have completed foundational Diversity, Equity, and Inclusion training; Recognition of Juneteenth with a paid day off  |

| CATEGORY                        | METRIC                               | UPDATE   |
|---------------------------------|--------------------------------------|--|
| Labor, Health & Safety          | Diversity, Equity & Inclusion Policy | Board of Directors annually review and adopt the <a href="#">Diversity, Equity and Inclusion Policy</a> ; posted on Company website  |
| Labor, Health & Safety          | Efficiency Through Technology        | Smartboards, cameras and software installed throughout Company to reduce travel, increase training opportunities and team collaboration  |
| Labor, Health & Safety          | Employee Retention                   | Robust Employee Benefit Programs: 84% Company contribution towards medical, dental and vision benefits; Company-provided short-term disability, long-term disability and basic life insurance accidental death and dismemberment (AD&D) insurance; Tuition Reimbursement Employee Assistance Program (EAP); access provided to all employees for additional optional employee-paid benefits            |
| Labor, Health & Safety          | Employee Retention                   | Additional Employee Benefits: Adoption/IVF assistance, computer/home office loan, clothing loan, stock purchase plan, fitness equipment loan, home office loan, 401(k) match, employee referral program, Pay-it-Forward vacation day program, Giving Day, incentive vacation for specialized volunteer opportunities, United Way giving, Casual Fridays, Flexible Hybrid Remote Work wherever possible |
| Labor, Health & Safety          | Employee Retention                   | Third-Party Employee Engagement Surveys; Supervisor training; Employee FUN Committee, online training subscription, monthly DEI learning opportunities, videos, books and discussion groups  |
| Labor, Health & Safety          | Employee Wellness                    | Variety of monthly wellness challenges - employees receive points and can earn rewards for participating and completing healthy goals  |
| Labor, Health & Safety          | Internship Programs                  | Annually provide enriching business experiences for college students/young professionals through paid internships  |
| Labor, Health & Safety          | Pay It Forward                       | Employees can donate up to 24 vacation hours per year to a vacation bank for other employees to use in times of need   |
| Labor, Health & Safety          | Staff Recruitment                    | Ongoing goals for workforce diversification; employee referral program   |
| Labor, Health & Safety          | Supervisor Training                  | Ongoing training and support for supervisors; In 2023, supervisors invested 917 total of hours in training   |
| Product Safety, Quality & Brand | Customer Education                   | Ongoing customer education via email on the topics of financial wellness tools, avoiding fraud while shopping, ability to make banking appointments, community shred events and website updates  |
| Product Safety, Quality & Brand | Efficiency Through Technology        | Continue to improve and expand online banking platform for mobile and desktop applications; Offer customers the ability to make in-person appointments online and the ability to work with a personal banker while utilizing a video banking machine   |
| Product Safety, Quality & Brand | First Time Home Buyer Program        | First-Time Home Buyer (Extra Credit) Program offset a total of \$270,00 in closing costs for 422 participants in 2023  |
| Product Safety, Quality & Brand | Marketing Compliance                 | Marketing checklist for review of all prepared marketing materials; Annual reminders to all staff; Ensuring regulatory compliance  |
| Product Safety, Quality & Brand | Safety Through Technology            | Utilizing and expanding customer use of Treasury Positive Pay product to reduce fraud  |



| CATEGORY                        | METRIC                                | UPDATE  |
|---------------------------------|---------------------------------------|---|
| Product Safety, Quality & Brand | Safety Through Technology             | Password-Controlled Secure Login - Online & Mobile Banking, Multi-Factor Authentication, Sectigo RSA Domain Validation Secure Server CA, SHA-256 with RSA Encryption, Transport Layer Security (TLS), Temporary Access Code (TAC), Facial and Biometric Recognition, Fraud Reporting, Ultimate ID+®, Account and Security Alerts, MercMobile® App, MercDebit® integrated into online banking, MercCredit® App, Secure Email, Secure File Sharing, Routers and Firewalls, Security Event and Incident Management, Whole Disk Encryption, Endpoint Detection and Response. Online Statements, Online Banking and Bill Pay, Dual Control, ACH Positive Pay, Check Positive Pay, Online Review of Suspect Items, Payee Match, Remote Deposit Capture and Mobile Remote Deposit Capture, Automated Sweep Services, Payroll Cards |
| Product Safety, Quality & Brand | Safety Through Technology             | The Company utilizes the Federal Financial Institutions Examination Council (FFIEC) Cybersecurity Assessment to help assess current practices and preparedness to mitigate cyber risks  |
| Product Safety, Quality & Brand | Safety Through Technology             | Links to Security Resources on Company Website: National Cybersecurity Alliance ( <a href="https://staysafeonline.org/">https://staysafeonline.org/</a> ), National Institute of Standards and Technology - Small Business Cybersecurity Corner ( <a href="https://www.nist.gov/itl/smallbusinesscyber">https://www.nist.gov/itl/smallbusinesscyber</a> ), Federal Trade Commission Consumer Advice - Online Privacy and Security ( <a href="https://consumer.ftc.gov/identity-theft-and-online-security/online-privacy-and-security">https://consumer.ftc.gov/identity-theft-and-online-security/online-privacy-and-security</a> ), National Center for Missing and Exploited Children ( <a href="https://www.missingkids.org/netsmartz/home">https://www.missingkids.org/netsmartz/home</a> )                             |
| Product Safety, Quality & Brand | Social Media                          | 2023 Social Media Metrics – Reach: 396,300; Engagements: 14,909; Posts: 248; Followers: 14,909; Email open rate approximately 38% (industry standard: 32%)  |
| Product Safety, Quality & Brand | Supplier Diversity Program and Policy | Mercantile's Supplier Diversity Program is inclusive of Minority/Woman/LGBTQ+/Veteran/Disabled owned vendors; Program Policy information and application is located on our website under <a href="#">RESOURCES</a> . Mercantile is devoted to ensuring that all businesses within the communities the Bank serves are fairly considered when we contract for services and products. In 2023, our Diverse Supplier spend was in excess of \$1 million or 2.1% of total spend, utilizing 94 out of 117 total diverse suppliers in the program; Vendor Code of Conduct is also located on our website under <a href="#">RESOURCES</a>  |
| Product Safety, Quality & Brand | Vendor Management                     | Vendor Management Program classifies and assesses risk associated with outsourcing services to a vendor, which allows for appropriate due diligence review and mitigating controls to be in place at all times for operations; All vendors reviewed at least annually   |
| Product Safety, Quality & Brand | Video Banking Machines                | Expanded hours for video banking machines; Personalized service   |
| Risks & Opportunities           | Certified Suppliers                   | Electronic recycling vendors are certified to ISO 14001 and ISO 45001 standards   |
| Risks & Opportunities           | Efficiencies                          | Use of software platforms for secure digital documents and customer signatures across key business lines  |
| Risks & Opportunities           | Efficiencies                          | Bank-wide use of online accounts payable system (save paper, time and resources)  |

| CATEGORY               | METRIC  | UPDATE   |
|------------------------|---|--|
| Risks & Opportunities  | Efficiencies                                    | Bank-wide use of technology and video to reduce/eliminate travel, save time and reduce fuel consumption for meetings   |
| Risks & Opportunities  | Enterprise Wide Risk Assessment                 | Updated Enterprise Wide Risk Assessment includes environmental risk; Reports are presented to the Board quarterly to monitor evolving risk   |
| Risks & Opportunities  | Environmental Policy                            | The Board of Directors annually reviews and adopts the <a href="#">Environmental Policy</a> , which is available on the Company website; The Corporate Sustainability Committee prepares and recommends changes to the Board   |
| Shareholder Rights     | Election  | All Directors are elected annually (Company and Bank Boards)   |
| Stakeholders & Society | Client Solutions - Business                     | Products include: ACH Positive Pay, Automated Sweep Services, Business Certificate of Deposit, Business Checking, Business Money Market, Business Savings, Card Management Solutions, Check Positive Pay, Commercial Analysis Checking, Commercial Loan Solutions, Commercial Mortgage Solutions, Credit and Debit Cards, Dual Control, Governmental Deposit Account Solutions, International Banking, Intra-FI FDIC Insured Deposit Accounts, MercForce Workforce Solutions - Payroll, HR, Benefits and Time Integration, Merchant Card Processing, Mobile Remote Deposit Capture (mRDC), Non-Profit Checking, Online Banking, Online Bill Pay, Online Review of Suspect Items, Online Statements, Payables Solutions, Payee Match, Payroll Cards, Receivables Solutions, Re-loadable Cards, Remote Deposit Capture (RDC), Reporting and Fraud Mitigation   |
| Stakeholders & Society | Client Solutions - Personal Products & Services | Products include: MercStart™ Checking, Student Savings, MercStart™ Fresh Checking, Senior Community Checking, Secured Credit Card, Online Account Applications, Gift & Re-loadable Cards, MercDebit®, MercCredit®, MercMobile®, MercMoney®, MercPerks® with Ultimate ID+® Identity Theft Solution, Let's Chat, MoneyPass® ATM Network, Health Savings Accounts (HSA), Certificates of Deposit, Online Banking and Bill Pay, Appointment Scheduling, Live ATMs, Mobile Wallet, CardSwap, ClickSWITCH, Automobile & Recreational Vehicle (RV) Loans, Bridge Mortgage Loans, Community Champion Mortgage Loans, Conforming Mortgage Programs with Fannie Mae & Freddie Mac, Construction Mortgage Programs, Credit Builder Loans, Doctor & Dentist Mortgage Loans, Electric Vehicle/Green Auto Loans, ESG Green Loan, Extra Credit - First-Time Home Buyer Programs, Home Equity Loans, Homeownership Opportunity Programs (HOP) Grants, Jumbo Mortgage Program, Lot & Land Mortgage Programs, Mortgage Credit Certificate (MCC) Program, Non-Conforming Mortgage Programs, Online Mortgage Applications, Personal Loans, Rural Development Loans, Single & Double-Wide Mortgage Loans, Traditional Mortgage Programs, Veteran Affairs Home Loans |
| Stakeholders & Society | Community Development Lending                   | 116 loans totaling \$430 million in 2023   |
| Stakeholders & Society | Community Donations                             | Over \$1 million in corporate donations were made in 2023; employees collectively pledged over \$135,000 in support of United Way from their pay in 2023   |

| CATEGORY               | METRIC   | UPDATE   |
|------------------------|--|--|
| Stakeholders & Society | Community Financial Education                            | 300 financial education classes were offered in 2023, impacting over 5,000 participants  |
| Stakeholders & Society | Compliance Training                                      | 100% Board of Directors and all staff completed annual compliance and information security training, including Bank Secrecy Act (BSA), Identity Theft Red Flags and Anti-Money Laundering (AML) identification, Customer Identification Program (CIP), Customer Due Diligence requirements, procedures and reporting, Disaster Recovery and all the facets of Fair Lending |
| Stakeholders & Society | ESG Green Credit (Loan)                                  | For clients building or renovating a home that use large scale environmentally-friendly sustainable initiatives or have a LEED certification; Solar Panels, Electric Vehicle Charging Stations and water recycling systems; LEED certifications receive a discount on closing costs; Electric Vehicle Loans  |
| Stakeholders & Society | First Time Home Buyer Program                            | In 2023, over \$270,000 disbursed between 422 first-time home buyers through the Extra Credit Program to help offset closing fees  |
| Stakeholders & Society | Home Buyer Program                                       | Community Champion Mortgage Loan available for first responders, hospital or medical employees, school employees, government employees, members of active armed services or veterans   |
| Stakeholders & Society | Human Rights Policy                                      | <a href="#">Human Rights Policy</a> annually reviewed and adopted by Board of Directors; Posted on website   |
| Stakeholders & Society | Insider Trading Policy                                   | <a href="#">Insider Trading Policy</a> annually reviewed and adopted by Board of Directors; Posted on website; All Insiders annually review and sign Policy  |
| Stakeholders & Society | Non-Profits Served - Volunteering                        | 86% of employees donated 24,872 hours of volunteering in support of 914 non-profit organizations in 2023   |
| Stakeholders & Society | Small Business Lending/ Community Reinvestment Act (CRA) | 1,288 loans totaling \$346,898,000 in 2023   |
| Stakeholders & Society | Supplier/Vendor Diversity Program & Code of Conduct      | Supplier/Vendor Diversity Program, providing resources and application on website; <a href="#">Supplier Diversity Program Policy</a> along with <a href="#">Vendor and Supplier Code of Conduct</a> are reviewed annually and adopted by the Board of Directors; Policies on website   |
| Stakeholders & Society | Sustainable Development Goals                            | All volunteering activities and corporate donations categorized using United Nations-defined sustainable development goals   |
| Stakeholders & Society | Sustainable Giving                                       | The Mercantile Foundation exists to ensure future sustainable community giving   |
| Stakeholders & Society | Volunteer Community Value                                | The value of volunteer hours invested in communities was \$718,580 for 2023  |
| Waste & Toxicity       | Recycling  | All office locations have recycling stations to divert cardboard, plastic and metal items from the landfill  |
| Waste & Toxicity       | Recycling  | Metric tons of electronic recycling captured since 2018: 12.08t Mixed Electronics, 2.05t Flat Panel/Monitors, 0.42t Recycled Wire  |

| CATEGORY         | METRIC          | UPDATE  |
|------------------|-----------------|---|
| Waste & Toxicity | Recycling       | Secure paper shredding and recycling program (internal and community shred days); In 2023, the Bank securely shred 184 tons of paper, including 15 state-wide community shred events; saving approximately 3,115 trees, 755,064 kWh of electricity, avoided adding 719 cubic yards of waste in landfills and saved 1,289,311 gallons of water |
| Waste & Toxicity | Re-purpose      | Any renovations and expansion projects are met with Mercantile's re-purpose initiative, which donates previously used office furniture to non-profit organizations  |
| Waste & Toxicity | Waste Reduction | Water bottle refill stations installed during expansions and renovations to reduce plastic bottle use   |

# FORWARD-LOOKING *Statements*

This presentation contains statements or information that may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as: “anticipates,” “intends,” “plans,” “goal,” “seeks,” “believes,” “projects,” “estimates,” “expects,” “indicates,” “strategy,” “future,” “is likely,” “may,” “should,” “will,” and variations of such words and similar references to future periods. Any such statements are based on current expectations that involve a number of risks, uncertainties and assumptions (“Future Factors”) that are difficult to predict with regard to timing, extent, likelihood and degree of occurrence. We undertake no obligation to update, amend or clarify forward-looking statements, whether as a result of new information, future events (whether anticipated or unanticipated), or otherwise. Therefore, actual results and outcomes may differ materially from the results expressed or forecasted in such forward-looking statements. Future factors include, among others, adverse changes in interest rates and interest rate relationships; increasing rates of inflation and slower growth rates or recession; significant declines in the value of commercial real estate; market volatility; demand for products and services; climate impact; labor markets; the degree of competition by traditional and nontraditional financial services companies; changes in banking regulation or actions by bank regulators; changes in tax laws and other laws and regulations applicable to us; changes in prices, levies, and assessments; the impact of technological advances; potential cyber-attacks, information security breaches and other criminal activities; litigation liabilities; governmental and regulatory policy changes; the outcomes of existing or future contingencies; trends in customer behavior as well as their ability to repay loans; changes in local real estate values; damage to our reputation resulting from adverse publicity, regulatory actions, litigation, operational failures, and the failure to meet client expectations and other facts; the transition from LIBOR to SOFR; changes in the national and local economies; unstable political and economic environments; disease outbreaks, such as the COVID-19 pandemic or similar public health threats, and measures implemented to combat them; and risk factors described in our annual report on Form 10-K for the year ended December 31, 2023, including those disclosed from time to time in filings made by Mercantile with the Securities and Exchange Commission. Investors are cautioned not to place undue reliance on any forward-looking statements contained herein.



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