

MERCANTILE BANK CORPORATION
MERCANTILE BANK
(Its affiliates and subsidiaries)

Vendor and Supplier Code of Conduct

Mercantile Bank (the “Bank”) is committed to conducting our business in accordance with the highest ethical standards and in compliance with all applicable laws, rules and regulations. We expect our vendors and suppliers (together “Vendors” or individually “Vendor”) to share our principles and uphold our standards and for each to develop policies and programs as appropriate to ensure that all employees and subcontractors understand and adhere to these standards. We expect our vendors to operate in compliance with the principles outlined in this Vendor Code of Conduct (“Code”). The term “Vendor” as used in this Code, is defined as an external third-party that has entered into a business or contractual relationship to provide goods, services, functions or activities to, or on behalf of the Bank.

The provisions of this Code are in addition to those specified in any agreement between a Vendor and the Bank. Where this Code may conflict with the terms of a Vendor contract, the contract terms will prevail.

Business Ethics

- **Conflicts of Interest:** We expect our Vendors to disclose any potential conflicts of interest prior to initiating their relationship with us, or as soon as a Vendor becomes aware of a conflict after initiating a relationship; and we expect fair, non-collusive competition among our potential vendors, contractors and subcontractors.
- **Gifts and Entertainment:** Vendors may not offer or provide gifts or entertainment to Bank employees or directors with the intent to influence or reward them in connection with any business, or otherwise outside of the allowable limits of a cumulative value no greater than \$200 annually.
- **Improper/Illegal Payments:** Vendors and their subcontractors shall not engage in any activities involving bribes, kickbacks, or giving an appearance of impropriety.
- **Anti-Bribery and Anti-Corruption:** The Bank takes a zero tolerance approach to bribery and corruption. We expect our Vendors to act professionally, fairly and with integrity in all business dealings on behalf of the Bank. Vendors are prohibited from engaging in any activity that would constitute, or be perceived to constitute, bribery and/or corruption, including tolerating or facilitating bribery and/or corruption.
- **Anti-Money Laundering:** Vendors must not engage in illicit activities, including doing business with those engaged in illicit activities, including, without limitation, money laundering, terrorism financing, human trafficking, slavery or the proliferation of weapons of mass destruction.
- **Compliance with Laws:** Vendors and their subcontractors shall abide by all applicable federal, state, and local laws, rules, and regulations in the operation of their respective businesses and while performing services for the Bank.
- **Code of Ethics:** The Bank’s employees and directors are required to conduct every aspect of the Bank’s business in an honest, ethical, and legal manner. As a result, Vendors must not knowingly cause an employee to violate the Bank’s Code of Ethics.

Labor Standards

- **Employment Verification:** Vendors and their subcontractors shall only employ workers who are legally authorized to work and shall validate the employment eligibility of all their employees.
- **Fair Wages and Benefits:** We expect our Vendors to provide fair and competitive compensation and benefits, that – at a minimum – meet or exceed the requirements of applicable law or, where statutory provisions (or their equivalent) do not exist, provide for an adequate standard of living for all employees. We encourage our Vendors to adopt policies and business practices that are consistent with our commitment to pay an economically viable wage and provide appropriate benefits.
- **Involuntary Servitude:** Vendors shall not use any form of slave, forced, bonded, indentured, or detention labor.
- **Child Labor:** Vendors shall not employ or use underage labor in the production of their goods or services. Vendors shall not employ anyone younger than 16, regardless of the country's minimum working age.
- **No Discrimination or Harassment:** We expect our Vendors to offer equal employment to all, to treat all workers with dignity and respect and to maintain a work environment that is free from intimidation, violence and abuse. Discrimination or harassment on any grounds, including but not limited to race, color, national origin, religion, sex, sexual orientation, age, disability, marital status, or any other factors prohibited by applicable law is prohibited.
- **Safe Workplace Conditions:** We expect our Vendors to provide safe and healthy workplace conditions to prevent accidents, injuries or exposure to health risks. This includes robust occupational health, safety and fire safety programs as well as the provision of appropriate personal protective equipment, potable drinking water, clean toilet facilities, adequate lighting, temperature, ventilation and sanitation and, if applicable, safe and healthy worker accommodations.
- **Diversity, Equity, & Inclusion:** The Bank is a diverse institution with a strong culture of inclusion, helping us better connect with our diverse clients and communities. The Bank expects its Vendors and their subcontractors to demonstrate a similar commitment to diversity, equity, and inclusion by embracing a diverse workforce and proactively engaging diverse vendors in the procurement of products and services. You may learn more about Diversity, Equity, & Inclusion at the Bank by visiting <https://www.mercbank.com/about/diversity/>
- **Provide Workers Access to Confidential Grievance Mechanisms and Prohibit Retaliation:** The Bank expects our Vendors to provide workers with access to transparent and confidential processes to raise workplace concerns, resulting in swift and fair investigation, with a clear resolution and protection from retaliation.

Legal and Regulatory Compliance Requirements

Compliance with Laws: The Bank requires our Vendors to comply with all applicable laws, rules and regulations (including federal, national, state, provincial and municipal), including, but not limited to: all anti-trust and fair trade policies, all anti-money laundering and anti-terrorist financing laws, all anti-bribery and anti-corruption laws, all tax laws, all wage and hour laws, all privacy and information security laws, all environmental laws and all laws that address child labor, forced labor, slavery, human trafficking, equal pay and nondiscrimination, and occupational safety and health.

Safeguarding Information and Property: The Bank expects our Vendors to 1) safeguard and ensure that all confidential information is only used appropriately and as allowed under applicable law, including

personal information, material non-public information, proprietary information and intellectual property, 2) will use at least the same degree of care and security safeguards (and not less than a reasonable degree of care) it uses to prevent the disclosure of its own confidential information, 3) promptly notify the Bank of any actual or suspected misuse or unauthorized disclosure of the confidential information, and 4) ensure proper disposal of the confidential information.

Consumer Protection Laws: Vendors must comply with all applicable federal and state consumer protection laws as deemed applicable for the services provided to the Bank. Vendors must ensure that they monitor all updates and guidance relating to such consumer protection laws. Vendor's employees and subcontractors must also be trained annually on all such protection laws in order to ensure Vendor compliance with those laws in providing services to the Bank.

Regulated Entity: As a significant component of our economy, banks are regulated institutions. This imposes special obligations upon the Bank, its directors, officers, employees, and vendors to respect and protect the rights and assets of others, whether customers, shareholders, other employees, or affected companies. Therefore, Vendors and their subcontractors shall cooperate with all government-sponsored regulatory requests and inquiries related to the goods or services that are provided.

Investment Rules and "Insider Trading": Securities laws and Bank policy prohibit Vendors and Vendor personnel from trading, directly or indirectly, in Mercantile Bank Corporation (ticker MBWM) securities while in possession of "material non-public information" about the Bank. Material non-public information is generally defined as any information that has not been widely disclosed to the public and is likely to influence an investor to buy, sell, or hold a company's stock. Material non-public information can take many forms. Examples include acquisition or divestiture plans; actual or projected financial information not yet public; new contracts, products, or discoveries; major organizational changes; or other business plans. Vendors and Vendor personnel are also prohibited from directly or indirectly trading in the securities of other publicly held companies, such as the Bank customers and vendors, on the basis of material non-public information. It is also illegal and against Bank policy for Vendors and Vendor personnel to share material non-public information about the Bank or another company with friends, family members, or other third parties (this is called "tipping").

Vendor Obligations

Accurate Records/Record Maintenance and Retention Requirements: Vendors are responsible for maintaining accurate and complete books and records and complying with all required controls and procedures for records created as a result of business activities conducted on behalf of the Bank. Vendors must be fully aware and apprised of, and comply with, the legal and regulatory retention requirements that relate to the services being provided to the Bank.

Communications about or on behalf of the Bank: Vendors must not communicate publicly about the Bank's business unless specifically authorized to do so in writing by the Bank and the Vendor contract. Vendors may not make public announcements on the provision of goods or services to the Bank, share information regarding the Bank's assignments, or circulate pictures or descriptions of Bank facilities or external work events, which also includes discussing any of the Bank's products, services, or programs on social media.

Sustainability: At the Bank, corporate sustainability is focused on reducing energy and resource consumption, reducing greenhouse gas emissions, and managing our waste responsibly. We foster a workplace that reduces our environmental footprint and supports the health and well-being of our employees to deliver value to our clients and communities. The Bank expects its Vendors to support the sustainability efforts of the Bank through the services they perform as well as through their own initiatives. To learn more, visit the Bank's latest Corporate Social Responsibility report at <https://ir.mercbank.com/overview/documents/default.aspx>.

Compliance Assurance: Vendors are expected to self-monitor their compliance with this Code while conducting business with or on behalf of the Bank, and to inform us in a timely manner of any non-compliance. We reserve the right to monitor compliance with this Code using a reasonable and risk-based approach and framework that is suitable for small as well as larger businesses with more mature compliance programs. This may include verification through self-assessment/questionnaires, on-site audits, and/or other means of due diligence. We recognize that some businesses may be challenged to meet some of the expectations we have set forth. We are committed to working with these businesses to achieve a reasonable level of compliance given their unique circumstances. If requested, Vendors are expected to provide written information, including, policies, procedures and data regarding the topics included in this Code. Any Vendor that does not comply fully with this Code, is expected to remediate any lapses to the Bank's satisfaction in a timely manner. Failure to agree upon a remediation plan, or failure to implement it, could adversely affect ability to be awarded additional work and/or result in termination.

Questions About the Vendor Code of Conduct: If you have any questions about this Code, including questions regarding a possible violation of this Code, the Bank has a variety of resources available to assist you. You are encouraged to work with your primary Bank contact in resolving a business practice or compliance concern. However, the Bank recognizes that there may be times when this is not possible or appropriate. In such instances, please contact our Supplier Relations Department at the below email/address or report any violations to us through the Bank's "Business Conduct Contact Form", found on the Bank's website under "Anonymous Feedback":

Email: SupplierRelations@Mercbank.com

Phone: 616-406-3617

Address: 5610 Byron Center Avenue, Wyoming, MI 49519

The Bank prohibits retaliation of any kind against individuals who have made good faith reports or complaints of violation of the Code or other known or suspected illegal or unethical conduct.