

Progressive Building Society

Annual General Meeting 24th April 2026

Proposed alterations to Rules

In respect of the proposed Rule changes, this note sets out the areas of change. A full copy of the proposed changes and a copy of the existing Rules showing the proposed changes are available on the Society's website www.theprogressive.com, or may be obtained by a member on request to the Secretary, Progressive Building Society, Progressive House, 33-37 Wellington Place, Belfast BT1 6HH.

It is intended that, if the alterations to the Rules are agreed at the AGM, they will take effect on 1st July 2026 or on the day they are registered by the Financial Conduct Authority if later.

The Board believes that these Rule changes benefit the Society and its Members and therefore recommends that members vote for the Rule changes.

Main changes to The Society's Existing Rules

1. To remove existing Rules 24(1)(c) 24(1)(j) and re-lettering the subsequent subparagraphs:

- (1) A Director shall cease to hold office -
 - (a) if he resigns his office by notice in writing to the Secretary on the date specified in the notice or, if none, the date that the notice is received by the Secretary,
 - (b) if he ceases to hold in his own right a Shareholding of not less than £1,000 as prescribed by Rule 14,
 - ~~(c) if he takes up a permanent residence outside the United Kingdom,~~
 - (~~d~~ c) if he is requested in writing by a majority of his co-Directors to resign and a resolution that he has vacated office is thereafter passed at a meeting of the Board by at least a majority of the members of the full Board,
 - (~~e-d~~) if for more than six consecutive months he absents himself without permission of the Board from meetings of the Board held during that period and the Board passes a resolution that he has vacated office,
 - (~~f~~ e) if he becomes bankrupt or is sequestrated or compounds or makes any arrangement with his creditors generally,
 - (~~g~~ f) if he is, or might be, suffering from mental disorder and either -

(i) he is admitted to hospital in pursuance of an application for admission for treatment under the provisions of the Mental Health Act 1983 or he is admitted to hospital under the provisions of the Mental Health (Scotland) Act 1984 or the provisions of the Mental Health (Northern Ireland) Order 1986, or

(ii) a registered medical practitioner who is treating that person gives a written opinion to the Society stating that he has become physically or mentally incapable of acting as a Director and may remain so for more than three months,

(~~h~~ g) on the passing of an Ordinary Resolution on a poll of which notice has been given under Rule 34(2)(a) that he shall cease to be a Director,

(~~i~~ h) if, whilst a Director of the Society and without the consent of the Board, he accepts the office of a director or officer in, or employment by, any other building society or firm which has permission under Part 4A of the Financial Services and Markets Act 2000 to accept deposits or enter into regulated mortgage contracts as lender, or any other organisation, company or body deemed by the Board to be in direct competition with the business of the Society,

~~(j) if he retires at the conclusion of an Annual General Meeting as a result of any binding requirement of the Statutes regarding retirement of a Director by reason of his age,~~

(~~k~~ i) if they become prohibited by law from being a Director,

(~~l~~ j) if he contravenes Rule 21(1) by knowingly or recklessly failing to declare an interest and the Board passes a resolution that he has vacated office,

(~~m~~ k) if the Board passes a resolution that the Director shall vacate office after either of the following has occurred -

(i) the Regulator has made it a condition of the Society's continued authorisation that the Director should cease to hold office or has imposed a requirement or made a recommendation that he should cease to hold office,

(ii) the Director has failed to obtain or maintain any personal authorisation required from the Regulator relevant to the office of Director,

(~~n~~ m) in the case of a Director who holds executive office, if his appointment to such office is terminated or expires and the Board resolves that his office be vacated.

2. To remove existing Rules 13(1)(a) and 13(12)(a)(i) and re-lettering the subsequent subparagraphs in line with Building Societies Act 1986 (Modifications) Order 2024:

(1) No Individual shall be elected or appointed as a Director unless -

~~(a) his election or appointment complies with any binding requirement of the Statutes regarding the age of a Director at the time his election or appointment takes effect,~~

(b a) they are qualified under Rule 14 at the date of their election or, in the case of appointment under Rule 25, the date of their appointment,

(c b) they are not a minor, and

(d c) such Individual maintains in his own right a Shareholding with the Society of an amount not less than £1,000, and

(e d) (except in the case of appointment under Rule 25, or nomination under paragraph (12) below, or where a Director retires under Rule 26), a nomination form in the form required by the Society, signed by not less than 200 Members who comply with the requirements of paragraph (4) below and addressed to the Secretary, has been delivered at the Principal Office. A nomination may be made at any time but, if made after the end of the Financial Year preceding the Annual General Meeting at which the vacancy in respect of which he is nominated is to be filled, the nomination shall be carried forward (unless the candidate otherwise requires) as a nomination for the next election of Directors at the next Annual General Meeting.

(12) If a vacancy arises on the Board after the last day of the Financial Year and before the conclusion of the Annual General Meeting held in the succeeding Financial Year for any reason including the death, disqualification or resignation of any retiring Director who was seeking re-election the Board may either -

(a) without giving notice under Rule 33 substitute in that Director's place some other Member who has filled the vacancy under Rule 25 and who is at the date of that meeting -

~~(i) of an age such that no breach occurs of any binding requirement of the Statutes regarding the age of a Director, and less than 70 years of age, and~~

(ii i) not a minor, and

(iii ii) qualified under Rule 14

to take the place of such retiring Director as a candidate for election and such Member shall be deemed to be a retiring Director, or

3. The Society is also taking the opportunity to make the Rules gender neutral