



ANNUAL COMPLIANCE REPORT TO MEMBERS

Dear NRA Members:

On behalf of the NRA, we are pleased to share this Annual Compliance Report covering January 1 through December 31, 2025. This report is part of the NRA's commitment to transparency and accountability to its members — the people whose trust and support make the Association's mission possible.

The NRA's compliance program continues to mature and produce measurable results. During 2025, travel and entertainment expenses declined 15% from the prior year, charter and first-class air travel were eliminated entirely, all whistleblower reports were investigated and closed, and our independent external auditor — Aprio LLP — found no noncompliance with the NRA's internal controls. These results reflect the hard work of the NRA's leadership, directors, and employees, who have made compliance a part of how the Association operates every day.

This report addresses the following areas:

- I. Travel and Entertainment Expenses
- II. Contract Negotiations, Execution, and Subsequent Payments
- III. Related Party Transactions
- IV. Whistleblower Reports
- V. Independent Audit

I. Travel and Entertainment Expenses

The NRA selected a random sample of travel and entertainment expense reports to evaluate compliance with the NRA Travel and Business Expense Reimbursement Policy. The sample included expense reports submitted by directors, officers, and staff. The NRA's independent auditor also conducted separate sampling and testing, as described in Section V.

During the period from January 1 through December 31, 2025, the NRA incurred aggregate travel and entertainment expenses of \$4.6 million, representing a decrease of approximately 15% from the prior year. Travel and entertainment expenses include business travel (airfare, lodging, ground transportation), business meals, meeting and event costs, and related incidentals. The Financial Services Division provided aggregate expense amounts in the following categories:

Board Members and Board Meetings	\$0.6 million
<i>Includes director travel to Board meetings, the Annual Meeting, and other NRA business, as well as the costs of hosting Board meetings.¹</i>	
Salaried Officers	\$0.1 million
<i>Travel and entertainment expenses incurred by the NRA's salaried officers in their official capacity.</i>	
Staff and Non-Staff	\$3.9 million
<i>Includes employee travel for NRA programs, events, competitions, legislative affairs, and field operations. Non-staff expenses cover volunteers, guest speakers, award winners, and certain contractors.</i>	

Testing of sampled expense reports confirmed that they were completed correctly with a defined business purpose, submitted in a timely manner, and included the required supporting documentation. No instances of unreasonable lodging expenses were detected.

¹The Financial Services Division has implemented cost codes to better isolate and categorize salaried officer expenses.

There were no charter flights and no first-class travel in 2025.

The NRA Travel and Business Expense Reimbursement Policy permits certain exceptions to standard travel procedures, provided they are approved in writing by the Treasurer, Secretary, or Executive Vice President.² The following exceptions were granted during the reporting period:

- A director received an exception to upgrade to business class for a business-related international flight due to a documented medical condition, and a separate exception for upgraded ground transportation at the same destination.
- A director received an exception to upgrade to business class for a business-related flight due to a documented medical condition. The net upgrade expense was de minimis.
- An employee received an exception as a reasonable accommodation for a documented medical condition, authorizing upgraded air travel or mileage reimbursement. The employee did not use the air travel exception in 2025 but was reimbursed for mileage on a personally owned vehicle.
- A director received an exception to book standard business related travel through a method other than the Association's travel agency.

II. Contract Negotiations, Execution, and Subsequent Payments

The NRA reviewed samples of contracts executed and renewed during 2025 for compliance with the NRA's Procurement Policy and Purchasing Procedures Manual. The NRA's independent auditor also performed separate testing, as described in Section V. The following table lists the ten highest compensated independent contractors and suppliers that received more than \$100,000 in compensation during 2025:

Contractor	Industry	Amount
Fidelity Investments ³	Employee Benefit Services	\$7,507,317
Cigna	Employee Benefit Services	\$6,994,784
Brewer Attorneys & Counselors ⁴	Legal Services	\$6,885,582
Membership Advisors Fundraising	Marketing/Membership	\$5,885,000
QuadGraphics	Magazine Printing	\$4,514,661
Infocision Management Corp	Telemarketing/Membership	\$3,431,532
Lockton Companies	Insurance Services	\$3,076,950
Baker & Hostetler LLP	Legal Services	\$2,416,051
Valtim Incorporated	Marketing/Membership	\$2,201,633
Dominion Property Restoration Services	Construction Services	\$1,836,730

Testing of the top ten vendor contracts and related invoices confirmed compliance with the NRA's Procurement Policy. A separate sample of contracts newly executed or renewed in 2025 was also tested, and substantially all sampled contracts were found to be in compliance.⁵

III. Related Party Transactions

"Related Party Transactions" refer to arrangements or transactions involving the NRA or an NRA

²All travel policy exceptions were approved in writing in accordance with the NRA Travel and Business Expense Reimbursement Policy. Individual names are withheld to protect confidential medical information consistent with applicable privacy laws. The identities and supporting documentation are maintained by the Compliance Department and are available for review by the Audit Committee.

³Includes employee 401(k) plan contributions.

⁴Represents a final payment for prior legal services. The NRA's engagement with this firm concluded in 2025, and no legal work was performed by the firm during the year.

⁵One contract in the sample, valued under \$100,000, was not reviewed by the Office of the General Counsel as required by the Procurement Policy. The services under the contract were warranted and received by the Association. The employee who executed the contract is no longer employed by the NRA.

affiliate in which an NRA director, officer, key employee, or their family members have a financial interest. Every NRA director, officer, and key employee is required to complete annual governance training and submit a Financial Disclosure Questionnaire. The NRA's amended Conflict of Interest and Related Party Transaction policy, enacted in January 2025, strengthened these disclosure requirements and approval procedures.

Financial Disclosure Questionnaires were distributed to all members of the Board of Directors in 2025. All directors returned completed questionnaires, with the exception of two directors who were medically unable to respond.

The NRA requires annual governance training for all directors and officers and separate integrity training for all employees and managers. Both courses address related party transactions, conflicts of interest, and whistleblower reporting procedures, and content was updated in 2025 to reflect the amended policy. The required training was distributed to all applicable participants, and the NRA is developing plans to transition training in-house for greater customization, broader reach, and reduced costs.

Disclosures were reviewed by the Secretary's office and the Audit Committee on an ongoing basis throughout 2025. No related party transactions requiring Board or Audit Committee approval were identified during the reporting period.

IV. Whistleblower Reports

The NRA maintains the NRA Integrity Line, a confidential, 24/7 reporting hotline managed by a third-party provider. In 2025, the Compliance Department received and documented 57 reports through the Integrity Line and related channels.⁶ Of these, 9 were not applicable to the NRA. All 57 reports were reviewed and adjudicated. Of the 48 applicable reports, 63% were unsubstantiated, 25% were partially substantiated,⁷ and 12% were substantiated. Corrective actions were taken when warranted.

V. Independent Audit

In addition to the internal compliance testing described in Sections I through IV, the NRA engaged Aprio LLP as its independent external auditor to perform an agreed-upon procedures engagement covering the NRA's internal controls. Aprio's engagement was reviewed and approved by the Audit Committee. The use of an independent external auditor provides an objective, third-party evaluation of the Association's controls and financial practices, separate from and in addition to the NRA's own internal compliance efforts.

Aprio's audit was risk-based, with procedures concentrated on the areas of greatest risk to the NRA and its affiliates. The audit covered ten NRA entities and affiliates, including General Operations, the Institute for Legislative Action, the NRA Foundation, the Civil Rights Defense Fund, the Special Contribution Fund, the Political Victory Fund, the Victory Fund, the Freedom Action Foundation, and Sea Girt, LLC. The engagement included walkthroughs of internal controls, control testing, legal review, and interviews with employees and board members across three phases of fieldwork.

Aprio performed twenty-one special procedures across nine areas: expense reimbursement of officers and management, related party transactions, women's leadership activities and forum, travel and entertainment expenses, conflict of interest, whistleblower policy submissions and results, contracts and invoices with vendors, legal invoices and contracts, and Audit Committee review.

Aprio did not find any noncompliance of internal controls in its testing. This clean independent assessment — spanning twenty-one procedures across nine areas of the NRA's operations and ten entities — corroborates the results of the NRA's own compliance testing and provides strong additional assurance that the Association's internal controls are functioning effectively.

⁶The NRA Integrity Line receives reports on a wide range of topics, many of which fall outside the scope of compliance, fraud, or misconduct. The CCO is evaluating ways to improve intake guidance to help reporters direct non-compliance matters to the appropriate department.

⁷Partially substantiated cases include reports where the allegations were substantiated but there was no policy violation, or situations when not all the allegations in one report were substantiated.

Conclusion

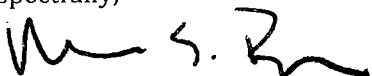
The results presented in this report reflect a compliance program that is functioning effectively and continuing to improve. Travel and entertainment expenses declined 15%, with zero charter and first-class travel. No related party transactions requiring approval were identified. And our independent external auditor found no noncompliance with internal controls across twenty-one procedures in nine areas of the NRA's operations.

These outcomes did not happen by accident. They are the result of a sustained organizational commitment to doing things the right way — from the Board of Directors and officers who set the tone, to the employees who carry it out in their daily work. What these results demonstrate is more than compliance with policies and procedures — they reflect a culture of accountability that has taken root across the organization. That culture is the most important safeguard the Association has, and it is what will sustain these results in the years ahead.

In 2026, the NRA will continue to build on this foundation by transitioning training programs in-house for greater control and efficiency, enhancing financial reporting and disclosure practices, and further strengthening the compliance infrastructure that protects this Association and the members it serves.

Thank you for your continued support of the NRA and the Second Amendment freedoms we all share. We do not take your trust for granted.

Respectfully,

A handwritten signature in black ink, appearing to read 'M. S. R.', written in a cursive style.

Matthew Boyden
Chief Compliance Officer
April 2026