ANGUS
THE BUSINESS BREED

AMERICAN ANGUS ASSOCIATION®
HIGHLIGHTS OF THE MEETING OF THE BOARD OF DIRECTORS
JUNE 7-10, 2026

The following is a review of topics discussed and action taken during the meeting of the Board of Directors held June 7-10, 2026, in Lake Ozark, Missouri.

AMERICAN ANGUS ASSOCIATION

- Total assets at April 30, 2026 were $32,798,700 and consisted of current assets of $2,124,400, investments of $24,664,100 of which $13,633,200 is restricted, and fixed assets of $6,010,200. Current liabilities were $995,000 consisting of accounts payable, accounts payable intercompany, accrued liabilities and deferred income. Long-term liabilities of $1,035,200 consisted of deferred compensation, accrued health insurance benefits and a forgivable economic development grant from Buchanan County. Net income for the period ending April 30, 2026 was $2,673,100. A financial forecast for the fiscal year was presented as well with a forecasted net positive bottom line
- Smitty Lamb moved, seconded by Rob Adams, to accept the finance report. The motion passed unanimously.
- The Board approved Committee reports as follows:
    - Breed Improvement Committee report and recommendations: motion by Paul Bennett, second by Darrell Stevenson, unanimous approval.
    - Commercial Programs Committee report and recommendations: motion by Art Butler, second by Roger Wann, unanimous approval.
    - Communications and PR Committee report and recommendations: motion by Charles Mogck, second by Ron Hinrichsen, unanimous approval.
    - Events and Junior Activities Committee: motion by Jerry Theis, second by Henry Smith, unanimous approval.
    - Finance and Planning Committee report and recommendations: motion by Smitty Lamb, second by Danny Poss, unanimous approval.
    - Member Services Committee report and recommendations: motion by Rob Adams, second by Art Butler, unanimous approval.
- Mark Ahearn moved, seconded by Mark Johnson, to approve a DNA sample storage protocol optimizing resource management. High-influence sire samples will be maintained.
- Lori Fink of Kansas and Jake Tiedeman of Nebraska were appointed to serve as Election Observers overseeing the counting of the delegate election ballots in the office in August.

BREED IMPROVEMENT COMMITTEE

- The committee reviewed and gave feedback on May 2026 genetic evaluation updates including: annual updates to the economic assumptions, core, genetic evaluation software, retiring of the interim EPD with performance data calculation, and the update of genomic scores in June.
- The committee assessed the Structured Sire Evaluation program. In addition, there was discussion for the future of the program, and the consensus of the committee was to continue with a nominated sire portion to provide the opportunity to test sires as a member service.
- A member letter requesting elevated designation of Pathfinder females was discussed. Staff was directed to review the requirements of the program as well as the promotion plan for discussion in September**.**
- Staff will continue to gather feedback and input from board and membership on breed improvement priorities for future planning.

COMMERCIAL PROGRAMS COMMITTEE

- AngusLink® enrollment statistics were reviewed. Overall enrollments on a head basis showed a downward trend compared to last year. Herds enrolled were unchanged.
- The committee reviewed media content in all outlets, earned media, and key industry activities including summer video sale schedules, and upcoming industry meetings, and plans for the summer “Drive to 1 Million” campaign leading into the 2026 Angus Convention.
- Market conditions were discussed including: drought, heifer retention, slow herd expansion, heavier carcass weights, and price spreads amongst grades. Current market opportunities and strategies were also discussed.
- Messaging and delivery of all programs available to commercial producers was discussed.
- Regional managers gave their input on producer perception and adoption of AngusLink®.

COMMUNICATIONS AND PR COMMITTEE

- The committee reviewed metrics of the updated Angus Mobile app and member feedback.
- The committee looked at the incentive program usage data and discussed which sale book inserts and incentives would be most helpful to members.
- Earned media opportunities were presented and the committee discussed how these opportunities can amplify the Angus message across the beef industry.

EVENTS AND JUNIOR ACTIVITIES COMMITTEE

- A review of the Young Breeder of the Year and Angus Ambassador of the Year was provided.
- A member suggestion regarding adding an owned bull show category was reviewed and discussed. Ron Hinrichsen made a motion to implement an owned bull show for junior Angus shows in 2027. Motion was seconded by Henry Smith. Motion passed unanimously.
- The committee discussed future NJAS locations and budget
- Staff shared additions to NJAS through Angus Foundation endowments.

MEMBER SERVICES COMMITTEE

- Changes made to the Breeders Reference Guide for Rule 104d. 2 Calves Produced by Embryo Transplant:
  - The committee reviewed examples of donor females where full condition testing was not necessary to meet the intent of the rule. Staff brought forward a suggested revision to account for those examples and reduce unneeded testing for members:

  Rule 104d. 2

  The Embryo Transfer Donor Dam must be DNA-marker- typed or must have been blood-typed before January 1, 2001. ~~The full suite of known commercially available tests for the genetic conditions monitored by the American Angus Association will be required for all donor dams, born on or after January 1, 2023, used for the purpose of Embryo Transfer~~. All donor dams, born on or after January 1, 2023, used for the purpose of Embryo Transfer that are (1) not parent qualified must be tested for the full suite of known commercially available genetic conditions or (2) parent qualified and are listed as a potential carrier for genetic conditions must be tested for those specific genetic conditions monitored by the American Angus Association.
- Motion made by Mark Ahearn to accept proposed changes to Rule 104d.2. Second by Jerry Theis. Motion passed unanimously.
- An update was given on the paperless billing transition.
- The committee reviewed recent AIMS updates and enhancements.

FINANCE AND PLANNING COMMITTEE

- Balance sheets and income statements for the period ending April 30, 2026 were reviewed. The financial review included the consolidated financial reports and the financial reports of each entity.
- Total assets on the consolidated financial report were $103,824,000, consisting of current assets of $17,179,000, investments of $69,124,000, property and equipment of $16,120,000 and non-current assets of $1,401,000. Current liabilities were $7,889,000, consisting of accounts payable, accrued liabilities and deferred income. Long-term liabilities of $2,339,000 consisted of deferred compensation, accrued health insurance benefits and a forgivable economic development grant. Consolidated net income for the period ending April 30, 2026, was $8,349,000.
- Staff reported on the return of the investment portfolio. Fiscal year to date, through April 30, 2026, the balanced portfolio returned a positive 6.3%. The consolidated investment income through April 30, 2026, was a positive $3,735,000. Year to date, through April 30, 2026, there were withdrawals from the portfolio totaling $1,500,000. $500,000 was withdrawn from the Association portfolio and $1,000,000 was withdrawn from the CAB portfolio.
- Projections of the financial results for the fiscal year that will end September 30, 2026, were also presented for the Association, and its subsidiaries. Each entity is forecasting a positive bottom line.
- Staff presented Association expense and revenue trends for the past ten-year time period. It was noted that the annualized increase for the time period of 2020-2026 in operating expenses and revenues was approximately 2.7% and 2.2%, respectively.

ANGUS FOUNDATION

- Total assets at April 30, 2026 were $32,265,800, and consisted of current assets of $1,102,300, and investments of $29,951,000, of which $28,761,300 is restricted, and long-term pledges receivable totaling $1,212,500. Current liabilities were $1,212,300 consisting of accounts payable, accounts payable intercompany, and accrued liabilities. Long-term liabilities of $32,300 consisted of accrued health insurance benefits. Net income for the period ending April 30, 2026 was $1,863,300. A financial forecast for the fiscal year was presented as well with a forecasted net positive bottom line.
- Henry Smith moved, seconded by Jerry Theis, that the financial report be approved. Motion passed unanimously.
- Tom McGinnis moved and Henry Smith seconded to reallocate $7,500 to the commercial scholarship fund. The motion passed unanimously.
- An update on the Resource Development committee was given.
- The board reviewed plans for 2027 fundraising efforts.
- New funding initiatives were presented.
- A progress update on long-range objectives was given.

ANGUS GENETICS INC.

- Total assets at April 30, 2026 were $3,768,400, and consisted of current assets of $2,058,700, investments of $1,497,400, fixed assets of $229,500, and a deferred tax liability of $17,200. Current liabilities were $2,103,300 consisting of accounts payable, accounts payable intercompany, and accrued liabilities. Long-term liabilities of $25,400 consisted of accrued health insurance benefits. Net income for the period ending April 30, 2026 was $496,700. A financial forecast for the fiscal year was presented as well with a forecasted net positive bottom line.
- Paul Bennett moved to accept the financial report. Art Butler seconded. The motion passed unanimously.
- The board reviewed AGI business statistics, discussed the evolving landscape of genetic evaluation, reviewed plans for the Imagine conference planned for August, and continued discussions around accessing more commercial data.
- A three-year strategic plan was presented. Smitty Lamb moved to accept the plan as presented. Art Butler seconded the motion. The motion passed unanimously.
- Current research project updates on heart health, cow efficiency, and fertility haplotypes were given.
- The board reviewed GeneMax® Advantage™ growth, customer retention, and an ambassador program.

ANGUS PRODUCTIONS INC.

- Total assets at April 30, 2026 were $4,247,400, and consisted of current assets of $2,467,500, restricted investments of $1,205,300, fixed assets of $368,900, and non-current assets of $205,700. Current liabilities were $1,821,800 consisting of accounts payable, accounts payable intercompany, accrued liabilities and deferred income. Long-term liabilities of $303,200 consisted of accrued health insurance benefits. Net income for the period ending April 30, 2026 was $955,500. A financial forecast for the fiscal year was presented as well with a forecasted net positive bottom line.

- Mark Ahearn moved, seconded by Alan Mead to accept the finance report. The motion passed unanimously.
- The board discussed Angus Journal subscription rates and compared proposed recommendations. Mark Ahearn moved to accept the *Angus Journal* breeder advertising rate schedule/card as presented reflecting an approximate 25% rate increase. Ron Hinrichsen seconded the motion. The motion passed unanimously. The board discussed a member inquiry regarding online sale posting fee and ring service minimums. No action was taken.

CERTIFIED ANGUS BEEF LLC

- Total assets at April 30, 2026 were $31,397,900, and consisted of current assets of $10,080,700, investments of $11,806,300 of which $2,729,400 is restricted, and fixed assets of $9,510,900. Current liabilities were $2,393,900 consisting of accounts payable, accounts payable intercompany, accrued liabilities, and deferred income. Long-term liabilities of $942,600 consisted of accrued health insurance benefits. Net income for the period ending April 30, 2026 was $2,361,400. A financial forecast for the fiscal year was presented as well with a forecasted net positive bottom line. After a few questions, Roger Wann moved to approve the financial report. The motion was seconded by Smitty Lamb and passed unanimously.
- While fed-cattle harvest numbers through licensed packing plants have declined by 11.2%, certified carcass volume has only declined by 6.6% fiscal year-to-date. This has been driven by an increase in quality as evident by the fact that Certified Angus Beef ® Prime carcass volume is up 7.7%. At the same time, brand acceptance rate is only up +0.4 percentage points at 37.6% through May as a dramatic increase in carcasses exceeding the brand's 1,100 lb. hot carcass weight limit have constrained the percentage of eligible carcasses ultimately meeting all 10 specifications required for certification.
- Overall sales are tracking 5.6 million pounds (-0.7%) below last year through May - primarily reflective of international sales being down 7.1% and retail sales down by 2.9%. However, retail sales are experiencing increased momentum driven by 230 new licensed independent stores. Foodservice sales are up over prior year by 2.1% and *Certified Angus Beef* ® Prime sales continue to grow exceptionally well at a rate of 13% through May.
- Current brand marketing efforts are focused on high-impact seasonal campaigns and partnerships (grilling, National Steakhouse Month, World Cup, Pro Football Hall of Fame), while alternative revenue streams (YouTube, sponsorships) remain an area of ongoing development.
- Uruguay grain-fed production is now active, with brand production expected to begin in two additional plants in July 2026, targeting EU, China, and Middle East markets—with product intentionally excluded from U.S. and Canadian channels.

NEXT REGULAR BOARD MEETING

September 14-17, 2026 in St. Joseph, Missouri