

GOVERNANCE



LEGAL, REGULATORY & INSTITUTIONAL COMPLIANCE

Compliance is a company's process for adhering to policy, procedures and regulations. This is a coordinated effort to monitor and ensure compliance with legal and regulatory bodies as appropriate for local, national and international efforts. The animal food industry is subject to a variety of regulations including, but not limited to, resource management and environmental protection, market access, and feed quality and safety. Compliance ensures that companies adhere to these laws, avoiding legal issues and penalties.

Importance to the Animal Food Industry:

- Regulatory and legal institutional compliance creates a systematic approach that creates a more stable environment as opposed to a volatile one. This also creates a clear definition of the “rules” that help guide the company toward better practices and overall longevity.
- Non-compliance with regulations can result in legal penalties, fines and operational disruptions. Ensuring compliance helps manage these risks and protects the company from potential financial and reputational damage.
- Compliance with regulations enhances the industry's reputation and builds consumer and shareholder trust, which can lead to increased demand for its products.
- Many markets have strict compliance standards. Adhering to these standards is essential for gaining and maintaining access to these markets, which can be crucial for the economic viability of the animal food company.
- Compliance with regulations related to resource management ensures that resources are used sustainably and will be available for future generations.

