

GOVERNANCE



SHAREHOLDER RIGHTS

Shareholders are essential to a company's growth, prosperity and success. A shareholder is an individual or entity that owns a portion of the company, which comes in the form of shares or stocks. Shareholders serve as co-owners of a company and can buy shares in the company, which entitles them to a portion of the company's profits through capital appreciation or dividend payments. Shares can be bought and sold to entities inside the company (private) or outside the company (public). Shareholders have voting power, ownership, right to transfer ownership, a claim to dividends, the right to inspect corporate documents and the right to sue for wrongful acts.

Importance to the Animal Food Industry:

- Respecting shareholder rights builds trust and credibility. When shareholders feel their rights are acknowledged and protected, they are more likely to trust the company, which is crucial for long-term relationships and business success.
- Addressing shareholder concerns and respecting their rights can help identify and mitigate risks early. This proactive approach can prevent conflicts, and other forms of shareholder opposition that could disrupt business operations.
- A company that respects shareholder rights, including those of employees, local communities, customers and investors, fosters a positive reputation. This reputation can enhance brand loyalty, attract talent and appeal to socially conscious consumers and investors.

