

SUCCESSFUL WOMEN

TIMELY FINANCIAL AND INVESTMENT PLANNING TOPICS

SPRING 2025

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Understand the power of your vote in shaping your investments.

Each spring, investors in individual publicly traded companies get a chance to voice their opinions as the companies whose stock they own prepare for their annual shareholders' meetings. This comes in the form of proxy statements, which detail all the topics to be discussed, including board member elections, executive compensation and proposals from both management and shareholders. Investors can submit their votes on these issues either online or via mail.

All these factors could impact the company's future financial performance, so voting is an

important opportunity. Adding your voice to those of other shareholders can get attention and influence the decisions of the board of directors and management, including choices that extend beyond improving the company's bottom line. Your vote could also ultimately influence your investments and the future direction of the company.

SHAREHOLDER PROPOSALS – AN OPPORTUNITY TO INSPIRE CHANGE

Shareholders submit proposals in an effort to get something changed at the company they

partially own. For example, they might ask for additional disclosures regarding a certain topic or for a new policy to be implemented. Shareholder initiatives span a broad range of issues including the company's operational and financial practices.

In some cases, these proposals can gain significant traction and raise awareness through shareholder support. For example, in 2024, the shareholder advocacy group As You Sow proposed that Lululemon explore the impact of microfiber shedding on waterways. The company is now reporting on product shedding and solutions and researching a new microfiber shedding reduction goal.

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To be eligible to submit a proposal, shareholders must meet specific criteria, such as holding at least \$2,000 of the company's voting stock for three years, \$15,000 for two years or \$25,000 for one. They must also commit to holding the required amount of stock until the company's shareholder meeting and be available to discuss their proposal with the company.



Prepare for proxy voting season (cont.)

HOW COMPANIES IMPLEMENT YOUR PROXY VOTES

The various issues up for vote every year are classified as binding or nonbinding. For instance, votes for board directors are binding, while the “say on pay” vote on executive compensation and shareholder resolutions are considered advisory.

Another type of shareholder contribution is client-driven proxy voting, which provides a way for fund investors to vote on proxies too. For example, Vanguard is piloting a program for investors to choose from a range of proxy voting policies. Selecting a proxy voting policy will direct how the fund votes your proportionate ownership of the fund on ballot items at certain company shareholder meetings. If this becomes more common, making your voice heard will no longer be limited to owning publicly traded individual stocks.

Companies are not legally required to make any changes on issues with non-binding, advisory votes. However, if shareholder voting shows strong support of a particular issue, it’s likely something company management will consider discussing.

Shareholder resolutions are a unique opportunity to propose change, gain consensus and make companies aware of general shareholder sentiment. If a resolution gets at least 5% of votes the first year, the

shareholder can resubmit it the following year. In the second year, the resolution must garner 15% to be refiled the next year, and in the third year, it needs to achieve 25% support to be resubmitted thereafter. You can look at prior years’ proxy statements for ballot trends. See if there are resolutions that are gaining traction year over year. It could give additional insight on what issues shareholders have been raising over time, and management’s response to them.

While proxy votes on shareholder resolutions are advisory, they still have the possibility of attracting a company’s attention as they did with Lululemon. Usually, if shareholder resolutions receive 10% to 20% of votes in favor, that’s enough for management to address them.

As shareholders of common stock in publicly traded companies, investors have a right and a responsibility to pay attention to how the company operates and can be improved. By taking the time to read the proxy statement and consider whether resolutions are in the best interest of stakeholders, you can help influence investment returns and company decisions that truly reflect the needs and wants of shareholders. ■

Sources: bankrate.com, finra.org, corporate.vanguard.com, static1.squarespace.com

Raymond James does not provide tax or legal services. Please discuss these matters with the appropriate professional. Prior to making an investment decision, please consult with your financial advisor about your individual situation.

Be prepared for emergencies

Having important information and contacts at the ready can help you be prepared in an emergency. Use this list to catalog your most important contacts and account numbers and keep them in a safe place for easy reference when the time comes.

CONTACT INFORMATION:

- | | |
|------------------------|-------------------------|
| Police non-emergency | Mechanic |
| Hospital | Plumber |
| Primary care physician | Electrician |
| Pediatrician | Utility company |
| Dentist | Cable/internet provider |
| Veterinarian | Neighbors |
| Financial advisor | |
| Attorney | |
| Accountant | |

PERSONAL INFORMATION FOR YOU AND YOUR FAMILY:

- | | |
|-------------------------|----------------------------------|
| Full legal name | Health insurer and policy number |
| Address | Employer |
| Email | Blood type |
| Phone numbers | Allergies |
| Social Security number | Bank information |
| Passport number | Retirement plan information |
| Driver’s license number | Life insurance information |
| License plate number | |

Spring clean your finances

Streamline planning for the future by getting organized.

Spring is the perfect time to get your finances in order. Being on top of your finances can help you feel more in control, while reevaluating your bills and purchases more often can help you stay within budget. Also, you're more likely to think ahead and plan for the future if you get and stay financially organized.

START BY ORGANIZING YOUR PAPERWORK

Life events like selling or buying a home, preparing for retirement or a medical event can leave you with an accompanying mountain of documents. Most people aren't certain what papers are important to hold onto. In a pinch, they either can't find exactly what they need or realize they never saved it in the first place.

Creating a physical and digital filing system is often the simplest way to organize your documents, making it easier to locate important papers when you need them. Sort your documents by major category like investing, medical expenses, loan documents, estate planning, and home repairs by designating a folder for each. You can then break down each category by year. Be careful to shred or delete any documents you decide you no longer need.

RUN YOUR CREDIT REPORT

Check your credit report every three months for derogatory changes and look for any signs of identity theft. You can check with the three credit bureaus – Transunion, Experian and Equifax – individually, or get a consolidated report from Credit Karma or Credit Sesame.

If you find derogatory changes like missed payments or foreclosures made in error, you can dispute them with the credit bureaus. This is crucial, as derogatory marks will remain on your credit report for seven years.

TAKE AN ANNUAL LOOK AT THE BIG PICTURE

Use spring as an opportunity to review your spending habits, as well as income changes, to identify ways to optimize your finances for the rest of the year. Decide what your highest priorities are and consider ways to boost your financial health. A little creativity could help you get closer to your goals more quickly.

Some practical tips include refinancing debt to lower your monthly payments, cutting unnecessary costs and canceling subscriptions you no longer need. You can even earn quick cash by selling those gently used designer shoes hiding in the back of your closet.

Creating and following a budget gives you the freedom to spend your money the way that best supports your goals. One easy way to do this is by automating as many payments as possible and being diligent with your discretionary spending.

Use spring as an opportunity to review your spending habits, as well as income changes, to identify ways to optimize your finances for the rest of the year.

As you take control of your finances and prioritize your goals, don't forget to consider retirement. Most people want to work less in the future or retire altogether, and as costs rise over time due to inflation, it's important to make sure you save enough to support the lifestyle you want to maintain. It's always a good idea to increase contributions to retirement accounts, but it becomes more essential the closer you get to retirement age as there is less time to accumulate interest or retirement gains.

While organizing your finances takes some time and effort, the payoff in the long run is well worth it. It gives you the freedom to save for the goals that matter most to you, and enables you to have funds in place when you need them for an emergency or major purchase. ■

Sources: New York Life

