

AMERIPRISE FINANCIAL INC  
Form DEF 14A  
March 09, 2012

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**SCHEDULE 14A**

Proxy Statement Pursuant to Section 14(a) of  
the Securities Exchange Act of 1934 (Amendment No. )

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

**Ameriprise Financial, Inc.**

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(Name of Registrant as Specified In Its Charter)

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(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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March 9, 2012

Dear Fellow Shareholders:

You are cordially invited to join us for our 2012 annual meeting of shareholders, which will be held on Wednesday, April 25, 2012, at 11:00 a.m., Minneapolis time, at the Ameriprise Financial Center, 707 Second Avenue South in Minneapolis, Minnesota 55474. Holders of record of our common stock as of the close of business on February 27, 2012, are entitled to notice of and to vote at the 2012 annual meeting.

The Notice of Annual Meeting of Shareholders and the proxy statement that follow describe the business to be conducted at the meeting. We also will report on matters of current interest to our shareholders.

We hope you will be able to attend the meeting. However, even if you plan to attend in person, please vote your shares promptly to ensure they are represented at the meeting. You may submit your proxy vote by telephone or Internet as described in the following materials or, if you request that proxy materials be mailed to you, by completing and signing the proxy card enclosed with those materials and returning it in the envelope provided. If you decide to attend the meeting and wish to change your proxy vote, you may do so automatically by voting in person at the meeting.

If your shares are held in the name of a broker, bank, trust or other nominee, you will need proof of ownership to be admitted to the meeting, as explained beginning at the bottom of page 70 of the proxy statement.

We look forward to seeing you at the annual meeting and discussing the business of your Company with you.

Very truly yours,

JAMES M. CRACCHIOLO  
*Chairman and Chief Executive Officer*

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**AMERIPRISE FINANCIAL, INC.  
707 SECOND AVENUE SOUTH  
MINNEAPOLIS, MINNESOTA 55474**

**Notice of  
Annual Meeting of Shareholders**

**DATE** Wednesday, April 25, 2012, at 11:00 a.m. Minneapolis time

**PLACE** Ameriprise Financial Center  
Market Garden Skyway Level  
707 Second Avenue South  
Minneapolis, Minnesota 55474

**ITEMS OF BUSINESS**

- (1) To elect four directors
- (2) A nonbinding advisory vote to approve the compensation of the named executive officers
- (3) To ratify the Audit Committee's selection of PricewaterhouseCoopers LLP as the Company's independent registered public accountants for 2012
- (4) To transact such other business that may properly come before the meeting or any adjournment of the meeting.

**RECORD DATE** You can vote if you are a shareholder of record as of the close of business on February 27, 2012.

THOMAS R. MOORE  
*Vice President, Corporate Secretary and  
Chief Governance Officer*

March 9, 2012

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AMERIPRISE FINANCIAL, INC.  
707 SECOND AVENUE SOUTH  
MINNEAPOLIS, MINNESOTA 55474

March 9, 2012

## Proxy Statement

### General Information

We are providing these proxy materials to you in connection with the solicitation of proxies by the Board of Directors of Ameriprise Financial, Inc. for the 2012 annual meeting of shareholders and for any adjournment or postponement of the meeting. In this proxy statement, we may also refer to Ameriprise Financial, Inc. as "Ameriprise Financial," "Ameriprise," "the Company," "we," "our" or "us."

We are holding the 2012 annual meeting at 11:00 a.m. Minneapolis time, on Wednesday, April 25, 2012, at the Company's Minneapolis headquarters and invite you to attend in person. If you need special assistance at the meeting because of a disability, you may contact Thomas R. Moore, our Vice President, Corporate Secretary and Chief Governance Officer, by telephone at (612) 678-0106, by email at [thomas.r.moore@ampf.com](mailto:thomas.r.moore@ampf.com) or by writing to him at 1098 Ameriprise Financial Center, Minneapolis, MN 55474. We have arranged for a live audio webcast of the 2012 annual meeting to be accessible to the general public on the Internet at [ir.ameriprise.com](http://ir.ameriprise.com).

**Under rules adopted by the Securities and Exchange Commission, we provide our shareholders with the choice of accessing the 2012 annual meeting proxy materials over the Internet, rather than receiving printed copies of those materials through the mail. In connection with this process, a Notice Regarding the Availability of Proxy Materials is being mailed to our shareholders who have not previously requested electronic access to our proxy materials or paper proxy materials. The notice contains instructions on how you may access and review our proxy materials on the Internet and how you may vote your shares over the Internet. The notice will also tell you how to request our proxy materials in printed form or by email, at no charge. The notice contains a 12-digit control number that you will need to vote your shares. Please keep the notice for your reference through the meeting date.**

**We anticipate that the Notice Regarding the Availability of Proxy Materials will be mailed to shareholders beginning on or about March 14, 2012.**

### Voting Information

#### Record Date

You may vote all shares that you owned as of February 27, 2012, which is the record date for the annual meeting. On February 27, 2012, we had 221,738,052 common shares outstanding at the close of business. Each common share is entitled to one vote on each matter properly brought before the meeting.

#### Ownership of Shares

You may own common shares in one of the following ways:



directly in your name as the shareholder of record, which includes restricted stock awards issued to employees under our long-term incentive plans;

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indirectly through a broker, bank, trustee, or other holder of record in "street name"; or

indirectly in the Ameriprise Financial, Inc. Stock Fund of our 401(k) plan.

If your shares are registered directly in your name, you are the holder of record of these shares and we are sending a Notice Regarding the Availability of Proxy Materials directly to you. As the holder of record, you have the right to vote by proxy, by telephone, by the Internet or by mail (if you request to receive your proxy materials by mail), or to vote in person at the meeting. If you hold your shares in street name, your broker, bank, trustee, or other holder of record is sending a Notice Regarding the Availability of Proxy Materials to you. As a holder in street name, you have the right to direct your broker, bank or other holder of record how to vote by submitting voting instructions in the manner directed by your bank, broker, trustee, or other holder of record. Regardless of how you hold your shares, we invite you to attend the annual meeting.

## How to Vote

The Notice Regarding the Availability of Proxy Materials that most of our shareholders will receive will have information about Internet voting but is not permitted to include a telephonic voting number because that would enable a shareholder to vote without accessing the proxy materials online. The telephonic voting number will be on the website where the proxy materials can be found. For more information about voting by telephone, please see the next two sections.

**Your vote is important.** We encourage you to vote promptly. Internet and telephone voting is available through 10:00 a.m. Eastern Time on Monday, April 23, 2012, for shares held in the Ameriprise 401(k) plan and through 11:59 p.m. Eastern Time on Tuesday, April 24, 2012, for all other shares. You may vote in one of the following ways:

**By Telephone.** You have the option to vote your shares by telephone. In order to vote your shares by telephone, please go to [www.proxyvote.com](http://www.proxyvote.com) and log in using the 12-digit control number provided on your Notice Regarding the Availability of Proxy Materials. You will be provided with a telephone number for voting at that site. Alternatively, if you request paper copies of the proxy materials, your proxy card or voting instruction form will have a toll-free telephone number that you may use to vote your shares. When you vote by telephone, you will be required to enter your 12-digit control number, so please have it available when you call. You may vote by telephone 24 hours a day. The telephone voting system has easy-to-follow instructions and allows you to confirm that the system has properly recorded your votes.

**By Internet.** You can also vote your shares by the Internet. The Notice Regarding the Availability of Proxy Materials indicates the website you may access for Internet voting using the 12-digit control number included in the notice. You may vote by the Internet 24 hours a day. As with telephone voting, you will be able to confirm that the system has properly recorded your votes. If you hold your shares in street name, please follow the Internet voting instructions in the Notice of Internet Availability of Proxy Materials you receive from your bank, broker, trustee, or other record holder. You may incur telephone and Internet access charges if you vote by the Internet.

**By Mail.** If you elect to receive your proxy materials by mail and you are a holder of record, you can vote by marking, dating, and signing your proxy card and returning it by mail in the postage-paid envelope provided to you. If you elect to receive your proxy materials by mail and you hold your shares in street name, you can vote by completing and mailing the voting instruction form provided by your bank, broker, trustee, or holder of record.

**At the Meeting.** The way you vote your shares now will not limit your right to change your vote at the meeting if you attend in person. If you hold your shares in street name, you must obtain a proxy, executed in your favor, from the holder of record if you wish to vote these shares at the meeting.

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All shares that have been properly voted and not revoked will be voted as you have directed at the meeting. **If you sign and return your proxy card without any voting instructions, your shares will be voted as the Board of Directors recommends.**

**Revocation of Proxies.** You can revoke your proxy at any time before your shares are voted if you: (1) submit a written revocation to our corporate secretary at the meeting; (2) submit a timely later-dated proxy or voting instruction form if you hold shares in street name; (3) provide timely subsequent telephone or Internet voting instructions; or (4) vote in person at the meeting.

## **Shares Held Under the Ameriprise 401(k) Plan**

If you participate in the Ameriprise 401(k) plan, your proxy card includes shares that the plan has credited to your account. To allow sufficient time for the plan trustee to vote, the trustee must receive your voting instructions by 10:00 a.m. Eastern Time, on Monday, April 23, 2012. **If the plan trustee does not receive your instructions by that date, the trustee will vote your shares in the same proportion of votes that the trustee receives from other plan participants who did vote.**

## **Confidential Voting**

We maintain the confidentiality of the votes of individual shareholders. We do not disclose these votes to any member of management unless we must disclose them for legal reasons or in the event of a contested proxy solicitation. However, if a shareholder writes a comment on the proxy card, we will forward the comment to management. In reviewing the comment, management may learn how the shareholder voted. In addition, the Inspector of Elections and selected employees of our independent tabulating agent may have access to individual votes in the normal course of counting and verifying the vote.

## **Quorum and Required Vote**

**Quorum.** We will have a quorum and will be able to conduct the business of the annual meeting if the holders of a majority of the votes that shareholders are entitled to cast are present at the meeting, either in person or by proxy.

### *Votes Required for Proposals*

**The Board of Directors recommends that you vote "For" Items (1), (2) and (3). Properly submitted proxies will be voted "For" each Item unless otherwise specified.**

<b>Item</b>	<b>To elect directors and adopt the other proposals, the following proportion of votes is required:</b>
(1) To elect four directors	Under the majority voting standard, in an uncontested election, a nominee must receive a number of "For" votes that exceeds 50% of the votes cast*
(2) A nonbinding advisory vote to approve the compensation of the named executive officers	The affirmative vote of a majority of the votes cast
(3) To ratify the Audit Committee's selection of PricewaterhouseCoopers LLP as the Company's independent registered public accountants for 2012	The affirmative vote of a majority of the votes cast

\*

If an uncontested incumbent nominee for director does not receive an affirmative majority of "For" votes, he or she will be required to promptly tender his or her resignation to the Board's independent Nominating and Governance Committee. The committee will then make a recommendation to the Board as to whether the

tendered resignation should be accepted or rejected, or whether other action should be taken. The Board will publicly announce its decision regarding the tendered resignation and the rationale behind it within 90 days after the election results have been certified. The director who tendered the resignation will not be permitted to vote on the recommendation of the Nominating and Governance Committee or the Board's decision with respect to his or her tendered resignation.

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**Routine and Non-Routine Proposals.** The rules of the New York Stock Exchange determine whether proposals presented at shareholder meetings are routine or non-routine. If a proposal is routine, a broker or other entity holding shares for an owner in street name may vote on the proposal without receiving voting instructions from the owner under certain circumstances. If a proposal is non-routine, the broker or other entity may vote on the proposal only if the owner has provided voting instructions. A broker non-vote occurs when the broker or other entity is unable to vote on a proposal because the proposal is non-routine and the owner does not provide any voting instructions.

**The rules of the New York Stock Exchange make the election of directors in an uncontested election and the nonbinding advisory vote to approve the compensation of the named executive officers non-routine items. This means that brokers who do not receive voting instructions from their clients as to how to vote their shares for these items can't exercise discretion to vote their clients' shares. Therefore, it is important that you instruct your broker as to how you wish to have your shares voted on these proposals, even if you wish to vote as recommended by the Board of Directors.**

**How We Count Votes.** In determining whether we have a quorum for the annual meeting, we count abstentions and broker non-votes as present and entitled to vote. For your convenience, we have provided this chart to show whether each item being voted on is routine or non-routine under the rules of the New York Stock Exchange. The chart also shows how abstentions and broker non-votes will be treated in determining the outcome of voting on each item.

<b>Item Being Voted On</b>	<b>Routine/ Non-Routine</b>	<b>Treatment of Abstentions</b>	<b>Treatment of Broker Non-Votes</b>
(1) To elect four directors	Non-routine	No effect; not included in numerator or denominator.	No effect; not included in numerator or denominator.
(2) A nonbinding advisory vote to approve the compensation of the named executive officers	Non-Routine	No effect; not included in numerator or denominator.	No effect; not included in numerator or denominator.
(3) To ratify the Audit Committee's selection of PricewaterhouseCoopers LLP as the Company's independent registered public accountants for 2012	Routine	No effect; not included in numerator or denominator.	Broker non-votes do not occur with respect to routine matters.

**Multiple Shareholders Sharing the Same Address**

For those shareholders requesting paper proxy materials who share a single address and would like to receive only one annual report and proxy statement at that address, please contact our corporate secretary. This service, known as "householding," is designed to reduce our printing and postage costs. If after signing up for householding any shareholder residing at such an address wishes to receive a separate annual report or proxy statement in the future, he or she may contact our corporate secretary. The contact information for our corporate secretary is provided on page one under "General Information."

**Cost of Proxy Solicitation**

We will pay the expenses of soliciting proxies. Our directors, officers or employees may solicit proxies for us in person, or by telephone, facsimile or electronic transmission for no additional compensation. We have hired D.F. King & Co., Inc. to help us distribute and solicit proxies. We will pay D.F. King \$16,000 plus expenses for these services.

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## Corporate Governance

This section highlights our corporate governance program. We provide details about these and other corporate governance policies and practices in other sections of the proxy statement and on our website on the Corporate Governance page of the "Company Information" section at [ir.ameriprise.com](http://ir.ameriprise.com).

### Requests for Copies of Materials

You may request copies of any of the documents referred to in this section of the proxy statement by calling Thomas R. Moore, our Vice President, Corporate Secretary and Chief Governance Officer, at (612) 678-0106. You may also write to him by email at [thomas.r.moore@ampf.com](mailto:thomas.r.moore@ampf.com) or by mail at 1098 Ameriprise Financial Center, Minneapolis, MN 55474. We'll provide the copies at no cost to you.

### Director Independence

Our Board, acting upon the recommendation of its Nominating and Governance Committee, has affirmatively determined that the following directors have no material relationship with the Company and are therefore independent under the corporate governance listing standards of the New York Stock Exchange: Ms. Marshall and Messrs. Greenberg, Knowlton, Lewis, Noddle, Sarles, Sharpe, and Turner.

Our only non-independent director is Mr. Cracchiolo, our chairman and chief executive officer and the only Company officer serving on the Board.

### Independence of Committee Members

As required by the rules of the New York Stock Exchange, only independent directors serve on these standing committees of the Board: Audit; Compensation and Benefits; and Nominating and Governance. Members of the Audit Committee also meet the independence standards of Rule 10A-3 of the Securities Exchange Act of 1934, as amended. Members of the Compensation and Benefits Committee also meet the independence standards for "outside directors" under Section 162(m) of the Internal Revenue Code of 1986, as amended, and are considered "non-employee directors" under Rule 16b-3 of the Securities Exchange Act of 1934, as amended.

On the Board's Executive Committee, Mr. Cracchiolo serves as the committee's chairman and the chairmen of the three other standing committees serve as the Executive Committee's other members. The corporate governance rules of the New York Stock Exchange do not require that all members of the Executive Committee be independent directors.

### Categorical Standards of Director Independence

Upon the recommendation of its Nominating and Governance Committee, the Board has approved categorical standards of director independence. These categorical standards: assist the Board in making its independence determinations; provide investors with an adequate means of assessing the quality of the Board's independence; and avoid the excessive disclosure of immaterial relationships. The Board's categorical standards of independence are posted on our website on the Corporate Governance page of the "Company Information" section at [ir.ameriprise.com](http://ir.ameriprise.com). The categorical standards generally classify as "not material": relationships with our Company arising in the ordinary course of business; relationships with companies of which a director is a shareholder or partnerships of which a director is a partner; contributions made or pledged to charitable organizations with which a director has a relationship; certain familial relationships; and certain social and other relationships. In addition to the New York Stock Exchange's standard independence tests, the Nominating and Governance Committee applied the categorical standards of independence when making its recommendations regarding director independence to the Board of Directors. In making these independence recommendations, the Nominating and Governance Committee considered all relationships and transactions between the

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director and the Company as described in questionnaires completed by each director and in materials provided by management, which may include transactions discussed in this proxy statement and relationships not considered material under the categorical standards of independence approved by the Board.

### **Committee Charters**

The Board's Audit, Compensation and Benefits, and Nominating and Governance Committees each operate under a written charter that is approved by the Board of Directors. Each committee charter satisfies the requirements of the New York Stock Exchange's corporate governance listing standards. Each committee reviews and reassesses the adequacy of its charter at least annually. Each committee will recommend any proposed changes to the Board of Directors for consideration and approval. The committee charters are posted on our website on the Corporate Governance page of the "Company Information" section at *ir.ameriprise.com* and additional information about each committee is contained in the sections following this summary.

The Executive Committee also operates under a written charter that is approved by the Board of Directors. The Executive Committee's charter is posted on our website at the same location as the other committee charters.

### **Internal Audit Function**

The Company has an internal audit function that is supervised by our general auditor. The Audit Committee reviews the appointment and replacement of the general auditor. The Audit Committee also annually reviews the performance and compensation of the general auditor. The general auditor reports regularly to the Audit Committee, including in executive sessions where he is the only officer present.

### **Audit Committee Financial Experts**

The Board of Directors has determined that William H. Turner, the chairman of the Audit Committee, and H. Jay Sarles, a member of the Audit Committee, are "audit committee financial experts" as that term is defined by the regulations of the Securities and Exchange Commission, or SEC. The Board has also determined that Messrs. Sarles and Turner are financially literate and have accounting or related financial management expertise, as those qualifications are interpreted by the Board in its business judgment. The Board has also determined that each other Audit Committee member is financially literate, as that term is interpreted by the Board in its business judgment.

### **Executive Sessions of Independent Directors**

The independent directors customarily meet in executive session without management present at each regularly scheduled meeting of the Board. The Board may decide, however, that such an executive session is not required at a particular Board meeting.

### **Presiding Director**

The Company's Corporate Governance Guidelines provide that the then serving chairman of the Nominating and Governance Committee shall act as the Board's presiding director, with the following duties: preside over executive sessions of the non-management and independent directors; serve as the principal liaison between the Board and the Company's chairman and chief executive officer on sensitive issues; and preside at meetings of the Board of Directors in the event of the chairman's unavailability. Ms. Marshall currently serves as the Board's presiding director.

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### **Communications from Shareholders and Other Interested Parties**

Shareholders and other interested parties may make their concerns known to the independent directors by communicating directly with the presiding director or another director via the Company's corporate secretary. You can find more information about how to communicate with our independent directors on page 11 of this proxy statement, under the caption "Communicating with Directors."

### **Our Board's Leadership Structure**

Our Board of Directors determines which leadership structure best serves its needs and those of our shareholders. Currently, Mr. Cracchiolo serves as both the chairman of the Board of Directors and the chief executive officer of the Company. Ms. Marshall, the chairman of the Board's Nominating and Governance Committee, currently serves as the Board's presiding director.

Recognizing that the Company's or the Board's circumstances may change, the Board has no policy with respect to the separation of the offices of the chairman and chief executive officer. As stated in our Corporate Governance Guidelines, "The Board believes that this issue is part of the succession planning process, which is overseen by the Compensation and Benefits Committee, and that it is in the best interests of the Company to make a determination when it elects a new chief executive officer."

The Board believes that Mr. Cracchiolo's service as both chairman and chief executive officer has the following advantages for the Company given the specific characteristics or circumstances of the Company: the preparation for board meetings, particularly the format and content of board presentations, is very efficient; there is a single source of leadership and authority for the Board; there is no need to incur additional costs by providing a separate chairman with administrative support and increased compensation; and Mr. Cracchiolo's intimate knowledge of the Company's strategy and day-to-day operations allows him to coordinate Board communications and actions quickly.

The role of the Board's presiding director is an important part of the Board's leadership structure. At other companies, this role may be called a "lead director." Our Corporate Governance Guidelines assign the following duties to the presiding director: preside over executive sessions of non-management and independent directors; serve as principal liaison between the Board's chairman and chief executive officer on sensitive issues; and preside at meetings of the Board of Directors in the event of the chairman's unavailability.

In addition to the presiding director, our Board has adopted a number of procedures and policies designed to preserve the effectiveness of the independent directors and the transparency of Board operations. For example, each Board agenda includes an executive session of the independent directors, although those directors may decide that one is not needed. Any director is free to suggest agenda items, to request additional time for an agenda topic, or to request information from management. The independent directors also have regular access to members of management other than the chief executive officer. In advance of each regular Board meeting, the corporate secretary asks the independent directors to submit any questions or topics that they would like the chairman and chief executive officer to address at the meeting.

### **Our Board's Role in Risk Oversight**

It is the job of our chief executive officer, chief financial officer, general counsel, and other members of our senior management to identify, assess, and manage our exposure to risk. Our Board plays an important role in overseeing management's performance of these functions. The Board of Directors has approved the charter of its Audit Committee, and that charter lists the primary responsibilities of the Audit Committee. Those responsibilities require the Audit Committee to discuss with management, the general auditor, and the independent auditors the Company's enterprise-wide risk assessment and risk management processes, including major risk exposures, risk mitigants, and the design and effectiveness



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of the Company's processes and controls to prevent and detect fraudulent activity. Some aspect of risk management and oversight is discussed at virtually every Audit Committee meeting. The Audit Committee's charter is posted on our website on the Corporate Governance page of the "Company Information" section at *ir.ameriprise.com*.

As a diversified financial services company, our business is subject to a number of risks and uncertainties, which are described in detail in our Form 10-K for the year ended December 31, 2011, which is included as part of our 2011 Annual Report to Shareholders. The Audit Committee and the Board as a whole receive regular reports from management and our independent auditors on prevailing material risks and the actions being taken to mitigate them. Management also reports to the Audit Committee and the Board on steps being taken to enhance our risk management processes and controls in light of evolving market, business, regulatory, and other conditions. Because five of our eight independent directors serve on the Audit Committee, a majority of the independent directors is closely and regularly involved in the risk oversight function.

Directors who do not serve on the Audit Committee receive copies of the Committee's meeting materials, including draft minutes for each Audit Committee meeting. The chairman of the Audit Committee reports to the entire Board on the Audit Committee's activities and decisions. In addition, each presentation to the Audit Committee or the Board on any significant matter is preceded by an executive summary that includes a section devoted to risk management issues. This section is intended to focus the attention of the Audit Committee and the Board on key risk topics and management's related risk management strategies and processes. As part of its ongoing responsibilities, the Audit Committee reviews and assesses the quality and clarity of the risk management information provided to it and, if necessary, makes recommendations to management for improving this information reporting.

Because we are in a highly regulated industry, the Audit Committee and the Board receive regular reports of examination from our regulators. In part, these reports address risk management topics and, as needed, the Audit Committee and the Board will respond in writing to risk management or other issues raised in the reports. In order to confirm that it is receiving candid and complete information on risk management and other topics, the Audit Committee holds regular separate executive sessions with members of executive management, our independent auditors, and our general auditor.

In response to emerging best practices and regulatory guidelines, the Audit Committee and the Compensation and Benefits Committee have received reports on risks related to our incentive compensation plans across the Company. The committees will continue to receive such reports as needed. These plans cover officers and employees who are not executive officers. We discuss this subject in more detail in the section of the Compensation Discussion and Analysis captioned "Risk and Incentive Compensation" beginning at page 45.

In the preceding section of the proxy statement, we explained our Board's leadership structure. Our chairman and chief executive officer is ultimately responsible for the effectiveness of the Company's risk management processes and is an integral part of our day-to-day risk management processes. He also attends each Audit Committee meeting, except in extraordinary circumstances unrelated to that meeting's agenda. As a result, his ability to lead our enterprise risk management program and to assist in the Board's oversight of that program improves the effectiveness of both the Board's leadership structure and its oversight of risk.

## **Consideration of Director Candidates Recommended by Shareholders**

The Nominating and Governance Committee will consider director candidates recommended by shareholders, provided that the requirements explained on page 15 under the caption "Director Nomination Process" are satisfied.

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### **Annual Performance Evaluation Process for the Board and its Committees**

The Nominating and Governance Committee oversees an annual performance evaluation process for the Board of Directors and the Audit, Compensation and Benefits, and Nominating and Governance Committees. The process is intended to determine whether the Board and its committees are functioning effectively.

### **Corporate Governance Guidelines**

The Board of Directors has approved Corporate Governance Guidelines. Among other topics, the Corporate Governance Guidelines address: director qualification standards; director responsibilities; director access to management and, as necessary and appropriate, independent advisors; director compensation; director orientation and continuing education; management succession; and the annual performance evaluation of the Board and its committees. The Corporate Governance Guidelines are posted on our website on the Corporate Governance page of the "Company Information" section at *ir.ameriprise.com*.

### **Codes of Conduct**

We have adopted a Code of Conduct to guide ethical business behavior and decision-making. The Code applies to all of our officers, employees, financial advisors, and their employees, and individuals conducting business on behalf of us and our subsidiaries. Following our Code of Conduct and all applicable laws, regulations, and Company policies is a condition of employment or association with the Company.

The Board of Directors has adopted a Code of Business Conduct for Members of the Board of Directors of Ameriprise Financial, Inc. This Code is intended to focus each director on areas of potential conflicts of interest and provide guidance relating to the recognition and handling of ethical issues. The Code also provides mechanisms to report potential conflicts of interest or unethical conduct and is intended to help to foster a culture of openness and accountability.

Both of these Codes are posted on our website on the Corporate Governance page of the "Company Information" section at *ir.ameriprise.com*.

### **Director Attendance at Annual Meeting of Shareholders**

Our Corporate Governance Guidelines state that directors are expected to attend the annual meeting of shareholders. The corporate secretary reminds each director of this policy in writing in advance of each annual meeting of shareholders. At our 2011 annual meeting of shareholders, all directors then serving were in attendance.

### **Majority Voting for Directors**

Our By-Laws provide for majority voting for directors in uncontested elections. The plurality standard will be used in the case of contested elections. We anticipate that the election of directors to be held at the meeting will be uncontested, and therefore the majority voting standard will apply. We have provided additional information about the By-Law provisions governing majority voting for directors beginning on page three of this proxy statement, under the caption "Votes Required for Proposals."

### **Director Qualifications and Board Policies**

The Board of Directors has determined that directors should be persons who have achieved prominence in their field and who possess significant experience in areas of importance to the Company, such as general management, finance, marketing, technology, law, business or public sector activities.

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Directors should possess integrity, energy, forthrightness, analytical skills and the commitment to devote the necessary time and attention to the Company's affairs. Directors should possess a willingness to challenge and stimulate management and the ability to work as part of a team in an environment of trust.

The Nominating and Governance Committee will consider whether the candidate has served as the chief executive officer, chief financial officer or other executive officer of a public company with significant policy-making or operational responsibility. The Committee also evaluates a candidate's manifest potential to significantly enhance the effectiveness of the Board and its committees. Experience in an area that is directly relevant to one or more of our business segments is also an important consideration.

The committee considers these specific qualities or skills as being necessary for one or more directors to possess:

A majority of directors must satisfy the independence standards established by the New York Stock Exchange;

Enough independent directors must be financially literate and have accounting or related financial management expertise so that the current and anticipated membership needs of the Audit Committee can be satisfied;

Directors are expected to possess the skills, experience, and professional background necessary to gain a sound understanding of our strategic vision, mix of businesses, and approach to regulatory relations and enterprise risk management; and

The Board as a whole must possess a mix and breadth of qualities, skills, and experience that will enable it and its committees to promote the best interests of the Company and its shareholders and to address effectively the risk factors to which the Company is subject.

Independent directors have access to individual members of management or to our employees on a confidential basis. Directors are authorized to conduct independent investigations and to hire outside consultants or experts at our expense. Directors also have access to our records and files, and directors may contact other directors without informing our management of the purpose or even the fact of such contact.

In 2010 and 2011, with the advice and assistance of a nationally recognized search firm, the Board's independent Nominating and Governance Committee conducted a year-long selection process to identify and interview potential board candidates. The search firm placed Mr. Lon R. Greenberg, the chairman and chief executive officer of UGI Corporation, on the list of potential candidates it had identified for the committee's consideration. After the Committee's due diligence efforts, the Board, upon the Committee's recommendation, appointed Lon R. Greenberg as a director as of June 7, 2011. Information about Mr. Greenberg's qualifications is provided on page 27. As a Class I director, Mr. Greenberg is standing for election by the shareholders at the 2012 annual meeting.

We believe that each director should have a substantial personal investment in the Company. A personal holding of Company shares or deferred share units having a market value of five times the amount of the current annual retainer *upon attainment* is recommended for each director. A decrease in the price of a share of our common stock after a director has attained the required ownership threshold will not negate the director's satisfaction of this requirement. Directors are expected to attain this ownership threshold within five years of joining the Board. We disclose the dollar value of each outside director's equity holdings as of February 27, 2012, on page 18.

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### **Board Diversity**

Our Board of Directors does not have a formal written policy with regard to the consideration of diversity in identifying director nominees. Our Corporate Governance Guidelines, however, require the Board's Nominating and Governance Committee to review the qualifications of the directors and the composition of the Board as a whole periodically. This assessment includes not only the independence of the directors, but consideration of required minimum qualifications, diversity, age, skills, and experience in the context of the needs of the Board. Our Corporate Governance Guidelines provide that the Board will establish the number of directors based on the recommendations of its Nominating and Governance Committee, which will consider, among other factors: the Board's current and anticipated need for directors with specific qualities, skills, experience or backgrounds; the availability of highly qualified candidates; committee workloads and membership needs; and anticipated director retirements.

Whenever the Nominating and Governance Committee engages a search firm to identify potential director candidates, the committee instructs the firm that diversity considerations are highly important. Similarly, whenever the committee considers candidates identified by other directors or shareholders, the same considerations apply. Because our Board of Directors is relatively small, it may not always be possible to recruit a director who has the skills and experience needed by the Board at that time and who also enhances the diversity of the Board. Nevertheless, considerations of diversity will continue to be important factors in identifying and recruiting new directors.

### **Communicating with Directors**

The Board of Directors has provided a means by which shareholders or other interested parties may send communications to the Board or to individual members of the Board. Such communications, whether by letter, email or telephone, should be directed to the Company's corporate secretary, who will forward them to the intended recipients. However, unsolicited advertisements or invitations to conferences or promotional material, in the discretion of the Company's corporate secretary, may not be forwarded to the directors.

If a shareholder or other interested party wishes to communicate a concern to the chairman of the Audit Committee about our financial statements, accounting practices, internal controls or business ethics or corporate conduct, the concern should be submitted in writing to the chairman of the Audit Committee in care of our corporate secretary. If the concern relates to our executive compensation program, the concern should be submitted in writing to the chairman of the Compensation and Benefits Committee in care of our corporate secretary. If the concern relates to our governance practices, the concern should be submitted in writing to the chairman of the Nominating and Governance Committee in care of our corporate secretary. If the shareholder or other interested party is unsure as to which category his or her concern relates, he or she may communicate it to any one of the independent directors in care of our corporate secretary. The contact information for the Company's corporate secretary is provided on page one under "General Information."

Our "whistleblower" policy prohibits us or any of our employees from retaliating or taking any adverse action against anyone for raising a compliance or ethical concern in good faith. If a shareholder, employee or other interested party nonetheless prefers to raise his or her concern in a confidential or anonymous manner, the concern may be directed to Ethicspoint®, at (800) 963-6395. This is a confidential, independent service that allows individuals to report compliance or ethical issues and concerns they may have concerning Ameriprise Financial. An Ethicspoint® specialist will forward accounting and auditing issues to our general auditor and our general counsel, who will confirm that the matter is properly investigated and, if deemed appropriate, report the results to the Audit Committee.

Table of Contents**Board and Committee Meetings**

During 2011, the Board of Directors met eight times. All of our directors attended 89% or more of the meetings of the Board and Board committees on which they served in 2011.

**Membership on Board Committees**

This table lists our four standing Board committees, the directors who currently serve on them, and the number of committee meetings held in 2011.

<b>Audit</b>	<b>Compensation and Benefits</b>	<b>Executive</b>	<b>Nominating and Governance</b>
Mr. Turner(1)	Mr. Noddle(2)	Mr. Cracchiolo(2)	Ms. Marshall(3)
Mr. Greenberg(4)	Mr. Knowlton	Ms. Marshall	Mr. Lewis
Mr. Knowlton	Mr. Lewis	Mr. Noddle	Mr. Noddle
Mr. Sarles(5)	Ms. Marshall	Mr. Turner	Mr. Sarles
Mr. Sharpe	Mr. Sharpe		
Number of meetings held in 2011			
12	7	1	4

(1) chairman and audit committee financial expert

(2) chairman

(3) chairman and presiding director

(4) Mr. Greenberg was appointed as a director as of June 7, 2011, and was appointed as an Audit Committee member as of October 6, 2011.

(5) audit committee financial expert

**Compensation and Benefits Committee**

Under its written charter, the Compensation and Benefits Committee's primary purposes are to: establish the philosophy and objectives that will govern our compensation and benefits programs; oversee and approve the compensation and benefits paid to our chief executive officer and other executive officers; recommend to the Board for approval executive and other compensation and benefits plans and arrangements; and promote the clear and complete disclosure to shareholders of material information regarding the compensation and benefits of our chief executive officer, chief financial officer, and our highest paid executive officers. A copy of the committee's charter is posted on our website on the Corporate Governance page of the "Company Information" section at *ir.ameriprise.com*.

The committee is also responsible for oversight of the incentive compensation plans throughout the Company, to the extent and in manner set forth in relevant regulatory guidance or rules and for recommendations to the Board on matters related to nonbinding advisory votes of shareholders to approve the compensation of the named executive officers, submitted as Item 2 of this proxy statement, and the frequency of those votes.

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Among other matters, the committee exercises ultimate authority with respect to: the compensation and benefits of our chief executive officer and other executive officers; the approval of grants and awards of equity-based and other incentive awards to our chief executive officer and other executive officers and to employees below the executive officer level; and the engagement, oversight, compensation, and termination of the committee's compensation consultant.

While the Compensation and Benefits Committee oversees our executive compensation program, the Nominating and Governance Committee has the authority to oversee the compensation and benefits of non-management directors and make recommendations on such matters to the Board of Directors for approval. We provide information about the compensation of our outside directors beginning on page 18.

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The Compensation and Benefits Committee has the authority under its charter to: retain independent legal or other advisors; ask us to provide the committee with the support of one or more of our officers or employees to assist it in carrying out its duties; and request any of our officers or employees or those of our outside counsel or independent auditors to attend a meeting of the committee or to meet with any members of, or consultants to, the committee.

The committee has the authority to determine the appropriate amount of funding to be provided by us for the payment of the compensation of any compensation consultant or other advisor engaged by the committee and for the payment of any administrative expenses of the committee that are necessary or appropriate in carrying out its duties.

The committee has the authority to delegate its authority to one or more subcommittees, including to the committee chairman, who may act on behalf of the committee during the intervals between meetings. Depending on the nature of the authority being delegated, a subcommittee may have to consist of a minimum of two members due to certain federal securities and tax law requirements.

The committee may also delegate its authority to one or more of our officers or employees to the extent permitted by federal securities and income tax laws, Delaware law, the rules of the New York Stock Exchange or the governing compensation plan document.

The committee has delegated certain administrative authority to our chief human resources officer to promote the efficient and timely administration of our compensation and benefits plans.

***The Role of Executive Officers.*** Our executive officers play the following roles in recommending the amount or form of executive compensation: preparing committee meeting materials related to the performance of the committee's duties, including total compensation tally sheets and other summaries of executive officers' total compensation; proposing the adoption of new or amended compensation or benefits plans; the chief executive officer will make recommendations to the committee for consideration regarding compensation actions for executive officers other than himself; our chief human resources officer will discuss survey and benchmarking data related to executive compensation and other topics of interest to the committee; and our chief financial officer will discuss and explain the setting and calculation of financial performance goals for certain executive compensation plans. No executive officer has the authority to approve his or her compensation or to make equity-based grants to himself or herself, or to any other executive officer.

***The Committee's Independent Compensation Consultant.*** The Compensation and Benefits Committee currently uses the firm of Frederic W. Cook & Co., Inc. ("Cook") as its independent compensation consultant. The committee has approved a Compensation Consultant Policy that addresses the following topics: the relationship between the committee and its compensation consultant; the criteria that the committee uses to select its consultant; the consultant's duties; how the committee evaluates its compensation consultant; the standards that the committee will apply in determining whether its consultant is independent of the Company's management; and the related disclosure to be provided to our shareholders. We have posted the committee's Compensation Consultant Policy on our website on the Corporate Governance page of the "Company Information" section at [ir.ameriprise.com](http://ir.ameriprise.com). You can request a copy of the Compensation Consultant Policy by writing to Thomas R. Moore, Vice President, Corporate Secretary and Chief Governance Officer, 1098 Ameriprise Financial Center, Minneapolis, MN 55474. You may also call Mr. Moore at (612) 678-0106 or email him at [thomas.r.moore@ampf.com](mailto:thomas.r.moore@ampf.com). He will send you a copy of the policy without charge.

Under the committee's charter, the engagement letter between Cook and the committee, and the Compensation Consultant Policy, the committee is responsible for the appointment, oversight, amount of compensation, evaluation, retention, and termination of its compensation consultant. Cook works for and reports directly to the committee, not the Company's management, with respect to executive

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compensation matters. The committee recognizes that its consultant will necessarily work with representatives of management on executive compensation and other matters within the scope of the committee's responsibilities. When doing so, however, Cook will act as the committee's representative and solely on the committee's behalf.

In its capacity as the committee's consultant, Cook provided the following services, among others: advice and guidance with respect to trends and issues related to executive compensation; assisting the committee in benchmarking competitive compensation, including the composition of a peer group to be used as a market check or reference point in reviewing proxy compensation data; assisting the committee in developing an executive compensation philosophy and program suited to our business strategy and goals; and preparing reports and analyses for the committee's meeting materials. One or more representatives of Cook attend committee meetings as needed.

At a committee meeting held on February 24, 2012, the committee evaluated Cook's performance and confirmed that Cook continues to be independent of the Company's management, in light of the five independence standards established in the policy. The lead representative of Cook assigned to the committee engagement has certified in writing to the committee that Cook satisfies all five of the independence standards: Cook did not provide the Company with any products and services unrelated to the consultant's engagement with the committee; all products and services provided by Cook to the committee have been provided in the ordinary course of business and on substantially the same terms and conditions, including fees and charges, as would be available to similarly situated parties; Cook has not provided products or services to any executive officer of Ameriprise Financial as an individual client of the firm; the firm's representatives assigned to the engagement are not an "immediate family member", as defined in the policy, of any committee member or any executive officer of Ameriprise Financial; and the firm's representatives are not former employees of Ameriprise Financial or any of its affiliates.

**Reporting to the Board.** The committee chairman reports to the entire Board regarding each committee meeting. When appropriate these reports and related discussion are conducted in executive session, without management present. Before the committee takes final action with respect to compensation actions affecting the chief executive officer, it first discusses its proposed actions with the other independent directors, without management present.

Management discusses the proposed agenda for each committee meeting with the committee chairman in advance and it is reviewed with the other committee members in advance as well. The committee has adopted a policy of including an executive session on the agenda of each committee meeting. The committee members may decide, however, that an executive session is unnecessary at a particular meeting. This executive session is held without management present. The committee chairman has the authority to add or delete items from any proposed agenda, and to call special meetings of the committee at any time.

**Compensation Committee Interlocks and Insider Participation.** The Compensation and Benefits Committee members include Warren D. Knowlton, W. Walker Lewis, Siri S. Marshall, Jeffrey Noddle, chairman, and Robert F. Sharpe, Jr. None of the members is a former or current officer or employee of the Company or any of its subsidiaries, or is an executive officer of another company where an executive officer of Ameriprise Financial is a director.

## **Nominating and Governance Committee**

The Nominating and Governance Committee operates under a written charter that is posted on our website on the Corporate Governance page of the "Company Information" section at [ir.ameriprise.com](http://ir.ameriprise.com). The committee's purposes are to: assume a leadership role in shaping the corporate governance of the Company; promote the effective functioning of the Board and its committees; advance the best interests of the Company and its shareholders through the implementation, oversight, and disclosure of sound



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corporate governance guidelines and practices; periodically review the compensation of outside directors and recommend changes to the Board for approval; and promote the clear and complete disclosure to shareholders of material information regarding the compensation and benefits of the Company's outside directors.

In 2011, the committee amended its charter, with the Board's approval, to include oversight responsibility for corporate political spending. Based on the committee's recommendation, the Board also approved a Statement of Principles Governing Corporate Political Spending, which is posted on our website at *ir.ameriprise.com*, to govern those contributions and expenditures, if any, made at the direction of the Company's officers with corporate funds. After review by the committee or its chairman, the Company will post on its website an annual corporate political spending report.

The committee has adopted a policy of including an executive session attended by committee members only on the agenda of each committee meeting. The committee members may decide, however, that an executive session is unnecessary at a particular meeting.

**Director Nomination Process.** The Nominating and Governance Committee considers and recommends candidates for election or appointment to the Board. The committee also considers candidates for election to the Board submitted by shareholders. Each member of the committee participates in the review and discussion of director candidates. In addition, members of the Board of Directors who are not on the committee may meet with and evaluate the suitability of candidates. In making its selections of candidates to recommend for election or appointment, the committee will apply the standards and criteria set forth under the caption "Director Qualifications and Board Policies" beginning on page 9 of this proxy statement. The committee applies the same standards in considering candidates submitted by shareholders as it does in evaluating candidates submitted by members of the Board of Directors.

Shareholders who wish to submit nominees for election at an annual or special meeting of shareholders must follow the procedures described on page 70. Shareholders who wish to submit a candidate for consideration by the Nominating and Governance Committee may do so by sending the candidate's name and supporting information to Thomas R. Moore, Vice President, Corporate Secretary and Chief Governance Officer, at the address shown on page one under "General Information."

## **Audit Committee**

The responsibilities of the Audit Committee are described in its written charter and in the following required Audit Committee Report. A copy of the committee's charter is posted on our website on the Corporate Governance page of the "Company Information" section at *ir.ameriprise.com*. The committee's purposes are to provide assistance to the Board of Directors by: monitoring the integrity of the consolidated financial statements of the Company; monitoring compliance by the Company with legal and regulatory requirements and the Company's Code of Conduct; evaluating and monitoring the independent auditors' qualifications and independence; evaluating and monitoring the performance of the Company's internal audit function and independent auditors, with respect to the parent company and its subsidiaries; and addressing the finance and risk management matters specified in its charter.

The committee has adopted a policy of including executive sessions on the agenda of each committee meeting. Such executive sessions may include committee members only, or may include separate executive sessions between the committee members and the general auditor, representatives of our independent auditors, or representatives of management, including our chief executive officer, chief financial officer, and general counsel. The committee members may decide, however, that executive sessions are not required at a particular meeting.

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***Audit Committee Financial Experts.*** The Board has determined that Mr. Turner and Mr. Sarles are "audit committee financial experts" as defined by the Securities and Exchange Commission regulations and that they have accounting or related financial management expertise, as the Board interpreted such qualification in its business judgment. The Board has also determined that each Audit Committee member is financially literate, as that term is interpreted by the Board in its business judgment.

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## REPORT OF THE AUDIT COMMITTEE

The Audit Committee's job is one of oversight as set forth in its charter. It is not the duty of the Audit Committee to prepare the Company's consolidated financial statements, to plan or conduct audits or investigations, or to determine that the Company's financial statements are complete and accurate and are in accordance with generally accepted accounting principles. The Company's management is responsible for preparing the Company's consolidated financial statements and for establishing and maintaining effective internal control over financial reporting. The Company's management is also responsible for its assessment of the effectiveness of internal control over financial reporting. The independent registered public accountants are responsible for the audit of the Company's consolidated financial statements and the audit of the effectiveness of the Company's internal control over financial reporting. In addition, the independent registered public accountants are responsible for the audit of management's assessment of the effectiveness of internal control over financial reporting.

In the performance of its oversight function, the Audit Committee has reviewed and discussed with management and the independent registered public accountants the Company's audited financial statements. The Audit Committee also has discussed with the independent registered public accountants the matters required to be discussed by Statement on Auditing Standards No. 61 relating to communication with audit committees. In addition, the Audit Committee has received the written disclosures and the letter from its independent accountant required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountants' communications with the Audit Committee concerning independence and has discussed with the independent accountants its independence.

The Audit Committee discussed with the Company's general auditor and independent registered public accountants the overall scope and plans for their respective audits. The Audit Committee meets with the general auditor and independent registered public accountants, with and without management present, to discuss the results of their examinations, their evaluations of the Company's internal controls and the overall quality of the Company's financial reporting. In addition, the Audit Committee meets with the chief executive officer and chief financial officer of the Company to discuss the Company's control environment and the overall quality of the Company's financial reporting.

In reliance on the reviews and discussions referred to above, the Audit Committee recommended to the Board of Directors, and the Board has approved, that the Company's audited financial statements be included in the Company's 2011 Annual Report to Shareholders and, for filing with the Securities and Exchange Commission, the Company's Annual Report on Form 10-K for the year ended December 31, 2011.

### MEMBERS OF THE AUDIT COMMITTEE:

William H. Turner, Chairman  
Lon R. Greenberg  
Warren D. Knowlton  
H. Jay Sarles  
Robert F. Sharpe, Jr.

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## Compensation of Directors

***Our compensation philosophy for outside directors.*** We compete with other companies for executive talent, as we explain in the Compensation Discussion and Analysis later in this proxy statement. We must also compete with them for persons with the ability, integrity, experience, and judgment required to serve on the board of a public company. We need to attract and retain directors who meet the high qualification standards set by our Board of Directors. In order to do so, we must offer a compensation package that is both competitive and fair in view of the significant time commitment and responsibilities that come with a director's job. Only outside directors receive compensation for serving on our Board. Mr. Cracchiolo does not receive any additional compensation for his service as a director.

***We believe that our outside directors should have a substantial personal financial stake in the Company.*** Accordingly, a significant portion of our directors' compensation package is equity-based. Also, a director is expected to have an equity holding in the Company with a market value of five times the amount of the current annual cash retainer upon attainment. The current annual cash retainer for the directors is \$80,000. A decrease in the price of a share of our common stock after a director has attained the required ownership threshold will not negate the director's satisfaction of this requirement. A director must reach this goal within five years of joining our Board. Shares of our common stock and deferred share units both count toward this goal. Using a closing price of \$56.20 for a share of our common stock on the record date of February 27, 2012, the value of the common stock and deferred share units beneficially held by our outside directors on that date was as follows, rounded to the nearest dollar: Ms. Marshall (\$956,131); and Messrs. Greenberg (\$337,088); Knowlton (\$1,265,118); Lewis (\$1,034,530); Noddle (\$1,698,252); Sarles (\$1,631,036); Sharpe (\$3,465,910); and Turner (\$1,157,887).

***How and why our outside directors' compensation was determined.*** The Board's Nominating and Governance Committee is responsible under its charter for overseeing the compensation and benefits paid to our outside directors. The committee will periodically review the appropriateness of the outside directors' compensation package.

The committee will discuss with an independent consultant any proposed changes to the compensation of outside directors. The committee will then recommend to the Board that it approve such changes as the committee believes are reasonable and appropriate, based on the consultant's report and findings. If the Board approves the committee's recommendations, the new compensation package will become effective as of a date set by the Board.

***Changes made to the outside directors compensation program approved by the Board in 2011.*** At its meeting held on June 7, 2011, the Board approved changes to the outside directors' compensation program as recommended by the Nominating and Governance Committee. The committee based its recommendations on a report prepared by Frederic W. Cook & Co., Inc., its independent compensation consultant. The consultant's report found that current annual cash and equity compensation paid on a per director basis was two percent below median relative to the peer group companies and that only minor changes were needed to the director compensation program.

As recommended by its Nominating and Governance Committee, the Board approved the following changes effective as of July 1, 2011:

the annual cash retainer for the chairmen of the Compensation and Benefits Committee and Nominating and Governance Committee was increased from \$10,000 to \$15,000, prorated accordingly for the remainder of 2011;

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the dollar amount of the annual grant of deferred share units was increased from \$100,000 to \$115,000, in order to stay consistent with trends in director compensation and better account for the current structure of committee cash retainer compensation; and

the required equity ownership level for each outside director was increased to five times the current annual cash retainer with a provision that the dollar amount of the equity ownership level will increase accordingly with the annual cash retainer.

This chart summarizes the current compensation program for our outside directors. We do not pay meeting fees or grant stock options or restricted stock to our outside directors.

### Outside Directors Compensation Program for 2011

Annual Cash Retainer	\$80,000
Annual Equity Retainer	\$115,000(1) in the form of Deferred Share Units
Board Meeting Fees	No board meeting fees
Committee Meeting Fees	No committee meeting fees
Committee Member Annual Retainer	Committee members receive an annual retainer as follows: Audit Committee \$15,000; Compensation and Benefits Committee \$10,000; and Nominating and Governance Committee \$10,000. There is no committee member retainer for the members of the Executive Committee.
Committee Chairman Annual Retainer	Committee chairmen receive an annual retainer <i>in addition to</i> the committee member retainer, as follows: Audit Committee chairman \$40,000 (\$55,000 total committee retainer); Compensation and Benefits Committee chairman \$15,000(2) (\$25,000 total committee retainer); and the Nominating and Governance Committee chairman \$15,000(2) (\$25,000 total committee retainer)
Charitable Matching Gift Program	Up to \$2,000 annually

(1) The annual equity retainer was increased from \$100,000 to \$115,000 effective July 1, 2011.

(2) The committee chairman annual retainer for the Compensation and Benefits Committee and Nominating and Governance Committee was increased from \$10,000 to \$15,000 effective as of July 1, 2011.

**Perquisites and Personal Benefits.** Our outside directors receive occasional perquisites or personal benefits of reasonable value, such as: commemorative items in connection with their Board service; welcoming gifts at the hotel where they stay during Board meetings or events; holiday gifts; and recreational or other services and amenities when attending an off-site Board long-range planning meeting. We do not provide our directors with a tax gross-up amount on any gifts or other items given to them.

We pay for or reimburse our outside directors for their reasonable travel, lodging, food and other expenses related to their attendance at Board, committee or annual shareholder meetings. Our outside directors may use our corporate aircraft for Board-related travel, subject to the aircraft's

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availability and other restrictions. In extraordinary or unusual circumstances, such as a family emergency, we may make our corporate aircraft available to our outside directors on an exception basis.

Our outside directors are eligible to participate in our charitable gift matching program on the same basis as our employees. We will match a director's personal contributions to one or more qualifying charitable organizations subject to an annual aggregate limit, which is currently \$2,000. Directors' requests for matching gifts are processed by the same outside vendor that we use for employee matching gift requests.

***Other Assistance and Payments.*** As is true at many other public companies, our in-house counsel and other employees, as well as outside counsel, assist our outside directors in satisfying their legal reporting obligations under Section 16(a) of the Securities Exchange Act of 1934, as amended. We pay

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for the fees and expenses related to the preparation and filing of Securities and Exchange Commission Forms 3, 4 and 5 for our outside directors, but only for transactions in our equity securities.

A director's Section 16(a) reporting obligations for transactions in our equity securities are imposed solely due to his or her service on our Board. Therefore, we do not consider such assistance and related payments to be perquisites or personal benefits. Nevertheless, we have provided this information to you in the interests of full and transparent disclosure.

**2011 Director Compensation**

This table shows the total compensation paid to our outside directors during 2011. The table also discloses other payments, such as deemed dividends on deferred share units and the amount of charitable matching gifts we made, if any, for a director.

Name	Committee			Stock Awards	All Other Compensation	Total
	Annual Retainer Earned or Paid in Cash	Chairman Retainer Earned or Paid in Cash	Member Retainer Earned or Paid in Cash			
Lon R. Greenberg(3)	\$ 45,275		\$ 3,750	\$ 98,333	\$ 862	\$ 148,220
Warren D. Knowlton(4)	80,000		25,000	115,000	14,811	234,811
W. Walker Lewis	80,000	\$ 3,242(5)	20,000	115,000	13,725	231,967
Siri S. Marshall	80,000	12,500(6)	20,000	115,000	15,725	243,225
Jeffrey Noddle	80,000	8,137(7)	20,000	115,000	25,024	248,161
H. Jay Sarles	80,000		25,000	115,000	13,725	233,725
Robert F. Sharpe, Jr.	80,000		25,000	115,000	21,432	241,432
William H. Turner	80,000	40,000	15,000	115,000	13,725	263,725

(1)

The dollar amounts in this column show the grant date fair value of the annual grant of deferred share units. The number of deferred share units credited to a director's account is calculated as follows: the dollar value to be received by the director is divided by the average value of a share of our common stock for the five trading days immediately preceding the fifth trading day following the first quarter earnings release date.

(2)

The dollar amount shown in this column is the total of: deemed dividends credited during 2011 to a director's plan account and reinvested in additional deferred share units; and charitable matching gifts we made during 2011 to one or more charitable organizations on behalf of the director. The aggregate incremental cost of perquisites and personal benefits is less than \$10,000 for each director. As a result, the Securities and Exchange Commission does not require us to disclose those costs. All deemed dividends were credited at the same rate as the dividends paid to holders of shares of our common stock.

For your convenience, we've broken out the two components of "All Other Compensation" in the chart below. Dollar amounts in each component have been rounded to the nearest dollar.

Name	Charitable	
	Deemed Dividends	Matching Gifts

Lon R. Greenberg	\$	862	\$	0
Warren D. Knowlton		13,811		1,000
W. Walker Lewis		13,725		0
Siri S. Marshall		13,725		2,000
Jeffrey Noddle		25,024		0
H. Jay Sarles		13,725		0
Robert F. Sharpe, Jr.		21,432		0
William H. Turner		13,725		0

- (3) Mr. Greenberg was appointed a director as of June 7, 2011, and his compensation was prorated accordingly.
- (4) Mr. Knowlton elected to defer 100% of his cash retainers for 2011 under the Ameriprise Deferred Compensation Plan for Outside Directors. In lieu of cash, Mr. Knowlton received an aggregate total of deferred share units of 1,933 in his deferred compensation accounts. That number does not include deemed dividends on those units that were reinvested in additional deferred share units.
- (5) Mr. Lewis served as chairman of the Compensation and Benefits Committee until April 27, 2011.



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(6) Reflects the increase in committee chairmen retainers effective as of July 1, 2011, as discussed on pages 18-19.

(7) Mr. Noddle was appointed chairman of the Compensation and Benefits Committee as of April 27, 2011.

***Deferred Share Plan for Outside Directors.*** All of our outside directors participate in the Ameriprise Financial Deferred Share Plan for Outside Directors. Each outside director receives an annual grant of deferred share units immediately following the annual meeting of shareholders. A deferred share unit is a phantom share of our common stock that tracks the value of our common stock. A deferred share unit receives deemed dividends in the same amount paid on a share of our common stock, but it has no voting rights. Outside directors may also choose to defer part or all of their annual cash retainer and any committee chairman's retainer under the plan. This deferral feature is voluntary and during 2011 one of our directors, Mr. Knowlton, elected to defer 100% of his cash retainers into deferred share units.

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**Outside Directors Deferred Share Plan**

<b>FEATURE</b>	<b>ANNUAL GRANT</b>	<b>ELECTIVE RETAINER DEFERRAL</b>
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<b>Amount</b>		
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