

AMERIPRISE FINANCIAL INC
Form DEFA14A
April 06, 2018

[QuickLinks](#) -- Click here to rapidly navigate through this document

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 under §240.14a-12

Ameriprise Financial, Inc.

(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
 - (1) Title of each class of securities to which transaction applies:
 - (2) Aggregate number of securities to which transaction applies:
 - (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
 - (4) Proposed maximum aggregate value of transaction:
 - (5) Total fee paid:

Edgar Filing: AMERIPRISE FINANCIAL INC - Form DEFA14A

- o Fee paid previously with preliminary materials.
 - o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
 - (1) Amount Previously Paid:
 - (2) Form, Schedule or Registration Statement No.:
 - (3) Filing Party:
 - (4) Date Filed:
-

April 6, 2018

Dear Fellow Shareholders:

For the reasons outlined in the proxy statement for our 2018 Annual Meeting of Shareholders and this supplemental letter, the members of the Compensation and Benefits Committee of the Ameriprise Board of Directors request that shareholders vote "FOR" Item #2- To approve the compensation of the named executive officers by a nonbinding advisory vote, as recommended by the Board.

Company Performance is Strong

Our Total Shareholder Return for 2017 of **56%** was one of the highest in the industry, and outperformed both the S&P 500 and the S&P 500 Financials.

Our long-term TSR is also exceptional, providing returns of **205%** over the past five years and **504%** since becoming a public company in 2005, which is the second highest return in the S&P 500 Financials over that time. We continue to demonstrate significant long-term growth and outperformance relative to the S&P 500 and S&P 500 Financials.

Company performance is about more than just TSR. In 2017 we demonstrated strong operating performance and growth on all our key business drivers*:

Net Revenue of \$11.9 b, an increase of **3.5%** over the prior year

Earnings of \$1.9 b, an increase of **34.8%** over the prior year

EPS of \$12.27, an increase of **44.7%** over the prior year

ROE of 32.3%, an increase of **10.1 percentage points** over the prior year

Operating Net Revenues⁽¹⁾
\$ in billions

Operating Earnings⁽¹⁾
\$ in millions

Operating Earnings⁽¹⁾
Per Diluted Share

Operating Return⁽¹⁾
on Equity, ex AOCI

(1)

Edgar Filing: AMERIPRISE FINANCIAL INC - Form DEFA14A

For the purposes of evaluating 2017 performance, the Compensation and Benefits Committee of the Ameriprise Board excluded \$320 million of Net Income remeasurement impacts associated with the enactment of federal tax reform.

Our longer-term operating performance is also very strong on a relative basis, with industry leading ROE, and ROIC in the top quartile of peers.

We continue our strong history of returning capital to shareholders, with over \$1.8 b returned through share repurchases and dividends in 2017. We also continue to maintain the strength of our company through excellent balance sheet fundamentals and strong enterprise risk management.

*

See proxy pages 41-42 for important disclosures and related details.

Pay Aligns to Performance and Business Strategy

Pay has moved consistently up and down with performance over time, as illustrated by our five-year TSR and compensation for our Chairman and CEO in the charts below.

Pay was up in 2017 commensurate with our strong performance. This is the first increase in pay for our Chairman and CEO since 2014. When considering the percent change from 2016 to 2017, it should also be noted that 2016 was flat to 2015, which was lower than 2014.

We have a long history of maintaining pay-for-performance alignment, including most recently in 2016 when the Committee chose to significantly reduce the incentive funding pool as a result of the volatile economic environment that existed when the goals were established, and in 2009 when we delivered \$0 in cash incentives to our Chairman and CEO given the economic uncertainty during the recession. The reduction of pay for 2016 via the application of negative discretion by the Committee served to inflate the size of the increase for 2017 on a percentage basis, thereby making the year-over-year change appear artificially large.

Total Shareholder Return

2013-2017

Total Direct Compensation

Chairman and CEO, 2013-2017

We are Responsive to Best Practices and Shareholder Input

Our average Say on Pay result over the past five years is 91.7%, and *we have never had below 80% support on this advisory vote.*

As explained, we have had strong pay-for-performance alignment not only in 2017, but since becoming a public company. We have consistently demonstrated strong governance processes and effective decision making related to executive compensation philosophy and design.

We have evolved elements of our plan design over time based on recommendations from the Committee's independent compensation consultant, best practices, and feedback from shareholders, including the change in 2017 in our target compensation mix shifting to 40% cash and 60% long-term, and to increase the percent of incentives delivered through long-term Performance Share Units to 50% of the long-term incentive value.

Edgar Filing: AMERIPRISE FINANCIAL INC - Form DEFA14A

We believe our compensation plan design has delivered excellent results for shareholders, created an effective performance incentive for our executives, and enabled us to attract and retain highly qualified and experienced talent. Importantly, our core design includes the setting of rigorous performance goals at the

beginning of the year and comprehensive evaluation after the close of the year of both the actual results versus the targets as well as the manner in which outcomes were achieved.

We regularly and proactively engage with our largest institutional shareholders to gather their feedback and thoughts on our executive compensation program. We have also extended invitations to over 30 of our largest shareholders, representing over 50% of our total shares outstanding, to discuss this year's vote. As we always do, the Committee will consider shareholder feedback as an important input to our compensation design and decisions.

Proxy Advisory Firm Analysis

We are aware of the "AGAINST" vote recommendations from proxy advisory firms this year. We have never had an "AGAINST" vote recommendation from ISS before, and we respectfully disagree with their conclusions for the reasons provided in our proxy and in this supplemental disclosure.

We believe ISS' recommendation was in large part influenced by a specific quantitative test involving our relative three-year TSR performance and did not take into account our exceptional operating performance. As mentioned above, our short and long-term TSR performance is excellent on both an absolute and relative basis. The three-year period being analyzed is a specific point in time that reflects a downturn in our stock that we believe was largely due to the unknown impact the proposed Department of Labor fiduciary rule changes would have on our business, which has since been largely resolved.

We also believe this recommendation was based on the perception that our pay decisions are overly discretionary. We strongly disagree with any critique of our plan as using discretion in any way that could be perceived as against shareholder interests. As described repeatedly throughout our proxy materials, the primary use of discretion has been to *reduce* the incentive funding pool in 2016. Further, classifying our Balance Sheet or our Strategic and Business metrics as discretionary is incorrect. These elements represent key measures of our financial strength, asset quality, and risk management (among others), that help protect shareholder interests over the long-term. We attribute our strong balance sheet and risk management as a key differentiator to our long-term performance during and following the financial crisis, and as a key strategic advantage to the future success of the company.

We value your support of our company and ask that you vote "FOR" the Say on Pay proposal at our annual meeting.

MEMBERS OF THE
COMPENSATION AND BENEFITS COMMITTEE:
Jeffrey Noddle, Chairman
Dianne Neal Blixt
Amy DiGeso
Lon R. Greenberg
Siri S. Marshall
Robert F. Sharpe, Jr.

QuickLinks

[Company Performance is Strong](#)

[Pay Aligns to Performance and Business Strategy](#)

[We are Responsive to Best Practices and Shareholder Input](#)

[Proxy Advisory Firm Analysis](#)