REFINITIV

DELTA REPORT

10-Q

AMP PR A CL - AMERIPRISE FINANCIAL INC

10-Q - MARCH 31, 2024 COMPARED TO 10-Q - SEPTEMBER 30, 2023

The following comparison report has been automatically generated

TOTAL DELTAS	2044
CHANGES	506
DELETIONS	980
ADDITIONS	558

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Quarterly Period Ended September 30, 2023 March 31, 2024

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Transition Period from______________________to______________________

Commission File No. 1-32525

AMERIPRISE FINANCIAL, INC.

(Exact name of registrant as specified in its charter)

Delaware	**13-3180631**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1099 Ameriprise Financial Center	**Minneapolis**	**Minnesota**	**55474**
(Address of principal executive offices)			(Zip Code)

Registrant's telephone number, including area code: **(612) 671-3131**

Former name, former address and former fiscal year, if changed since last report: **Not Applicable**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock (par value $0.01 per share)	AMP	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer ☒ Accelerated Filer ☐ Non-accelerated Filer ☐ Smaller reporting company ☐ Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at October 20, 2023 April 26, 2024
Common Stock (par value $0.01 per share)	101,196,192 99,324,923 shares

Index

AMERIPRISE FINANCIAL, INC.

FORM 10-Q

INDEX

Part I. Financial Information	**Part I. Financial Information**	3	**Part I. Financial Information**	3
Item 1. Financial Statements (Unaudited)	Item 1. Financial Statements (Unaudited)	3	Item 1. Financial Statements (Unaudited)	3
	Consolidated Statements of Operations — Three months ended March 31, 2024 and 2023		Consolidated Statements of Operations — Three months ended March 31, 2024 and 2023	3
	Consolidated Statements of Comprehensive Income — Three months ended March 31, 2024 and 2023		Consolidated Statements of Comprehensive Income — Three months ended March 31, 2024 and 2023	4
	Consolidated Balance Sheets — March 31, 2024 and December 31, 2023		Consolidated Balance Sheets — March 31, 2024 and December 31, 2023	5
	Consolidated Statements of Equity — Three months ended March 31, 2024 and 2023		Consolidated Statements of Equity — Three months ended March 31, 2024 and 2023	6
	Consolidated Statements of Cash Flows — Three months ended March 31, 2024 and 2023		Consolidated Statements of Cash Flows — Three months ended March 31, 2024 and 2023	7
	Notes to Consolidated Financial Statements		Notes to Consolidated Financial Statements	9

1.	1.	Basis of Presentation	9

Consolidated Statements of Operations — Three and nine months ended September 30, 2023 and 2022 3
Consolidated Statements of Comprehensive Income — Three and nine months ended September 30, 2023 and 2022 4
Consolidated Balance Sheets — September 30, 2023 and December 31, 2022 5
Consolidated Statements of Equity — Three and nine months ended September 30, 2023 and 2022 6
Consolidated Statements of Cash Flows — Nine months ended September 30, 2023 and 2022 7
Notes to Consolidated Financial Statements 9
1. Basis of Presentation 9
2. Summary of Significant Accounting Policies 9
3. Recent Accounting Pronouncements 12
4. Revenue from Contracts with Customers 17
5. Variable Interest Entities 22
6. Investments 27
7. Financing Receivables 31
8. Deferred Acquisition Costs and Deferred Sales Inducement Costs 35
9. Policyholder Account Balances, Future Policy Benefits and Claims 37

10.	Separate Account Assets and Liabilities	50
11.	Market Risk Benefits	50
12.	Debt	55
13.	Fair Values of Assets and Liabilities	56
14.	Offsetting Assets and Liabilities	67
15.	Derivatives and Hedging Activities	68
16.	Shareholders’ Equity	73
17.	Income Taxes	76
18.	Contingencies	77
19.	Earnings per Share	78
20.	Segment Information	78

2.			
2.			
2.		Recent Accounting Pronouncements	9
3.	3.	Revenue from Contracts with Customers	10
4.	4.	Variable Interest Entities	13
5.	5.	Investments	17
6.	6.	Financing Receivables	21
7.	7.	Deferred Acquisition Costs and Deferred Sales Inducement Costs	26
8.	8.	Policyholder Account Balances, Future Policy Benefits and Claims	27
9.	9.	Separate Account Assets and Liabilities	37
10.	10.	Market Risk Benefits	38
11.	11.	Debt	42
12.	12.	Fair Values of Assets and Liabilities	43
13.	13.	Offsetting Assets and Liabilities	52
14.	14.	Derivatives and Hedging Activities	53
15.	15.	Shareholders’ Equity	57
16.	16.	Income Taxes	58
17.	17.	Contingencies	59
18.	18.	Earnings per Share	61
19.	19.	Segment Information	61

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations	Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations	81	Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations	63

Item 3. Quantitative and Qualitative Disclosures About Market Risk	Item 3. Quantitative and Qualitative Disclosures About Market Risk	111	Item 3. Quantitative and Qualitative Disclosures About Market Risk	81
Item 4. Controls and Procedures	Item 4. Controls and Procedures	116	Item 4. Controls and Procedures	83
Part II. Other Information				
Part II. Other Information				
Part II. Other Information				
Part II. Other Information				
Part II. Other Information				
Part II. Other Information				
Part II. Other Information				
Part II. Other Information				
Part II. Other Information	**Part II. Other Information**	117	83	
Item 1. Legal Proceedings	Item 1. Legal Proceedings	117	Item 1. Legal Proceedings	83
Item 1A. Risk Factors	Item 1A. Risk Factors	117	Item 1A. Risk Factors	83
Item 2. Unregistered Sales of Equity Securities, Use of Proceeds, and Issuer Purchases of Equity Securities	Item 2. Unregistered Sales of Equity Securities, Use of Proceeds, and Issuer Purchases of Equity Securities	117	Item 2. Unregistered Sales of Equity Securities, Use of Proceeds, and Issuer Purchases of Equity Securities	84
Item 5. Other Information	Item 5. Other Information	118	Item 5. Other Information	84
Item 6. Exhibits	Item 6. Exhibits	119	Item 6. Exhibits	85
Signatures	Signatures	120	Signatures	86

Index

AMERIPRISE FINANCIAL, INC.

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS (UNAUDITED)

CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022 (1)	2023	2022 (1)
	(in millions, except per share amounts)			
Revenues				
Management and financial advice fees	$ 2,287	$ 2,172	$ 6,623	$ 6,908
Distribution fees	463	506	1,462	1,411
Net investment income	809	349	2,318	897

Premiums, policy and contract charges	390	354	1,135	1,034
Other revenues	127	118	390	365
Total revenues	4,076	3,499	11,928	10,615
Banking and deposit interest expense	151	15	385	20
Total net revenues	3,925	3,484	11,543	10,595
Benefits and expenses				
Distribution expenses	1,297	1,198	3,771	3,737
Interest credited to fixed accounts	139	157	464	443
Benefits, claims, losses and settlement expenses	120	81	748	(83)
Remeasurement (gains) losses of future policy benefit reserves	(12)	(1)	(17)	(6)
Change in fair value of market risk benefits	168	(321)	558	298
Amortization of deferred acquisition costs	62	58	185	190
Interest and debt expense	84	52	240	136
General and administrative expense	950	925	2,854	2,766
Total benefits and expenses	2,808	2,149	8,803	7,481
Pretax income	1,117	1,335	2,740	3,114
Income tax provision	245	274	561	614
Net income	$ 872	$ 1,061	$ 2,179	$ 2,500
Earnings per share				
Basic	$ 8.31	$ 9.60	$ 20.48	$ 22.30
Diluted	$ 8.14	$ 9.41	$ 20.08	$ 21.85

(1) Certain prior period amounts have been restated. See Note 3 for more information.

	Three Months Ended March 31,	
	2024	2023
	(in millions, except per share amounts)	
Revenues		
Management and financial advice fees	$ 2,399	$ 2,137
Distribution fees	506	517
Net investment income	901	698
Premiums, policy and contract charges	390	362
Other revenues	129	131
Total revenues	4,325	3,845
Banking and deposit interest expense	179	103
Total net revenues	4,146	3,742
Benefits and expenses		
Distribution expenses	1,419	1,226
Interest credited to fixed accounts	132	164
Benefits, claims, losses and settlement expenses	295	301
Remeasurement (gains) losses of future policy benefit reserves	(4)	(5)
Change in fair value of market risk benefits	(18)	489
Amortization of deferred acquisition costs	61	62
Interest and debt expense	82	72
General and administrative expense	960	937
Total benefits and expenses	2,927	3,246
Pretax income	1,219	496
Income tax provision	229	79
Net income	$ 990	$ 417
Earnings per share		
Basic	$ 9.63	$ 3.86

Diluted	$ 9.46	$ 3.79

See Notes to Consolidated Financial Statements.

Index

AMERIPRISE FINANCIAL, INC.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022 (1)	2023	2022 (1)
	(in millions)			
Net income	$ 872	$ 1,061	$ 2,179	$ 2,500
Other comprehensive income (loss), net of tax:				
Net unrealized gains (losses) on securities	(623)	(1,029)	(531)	(3,316)
Net unrealized gains (losses) on derivatives	—	—	2	(1)
Effect of changes in discount rate assumptions on certain long-duration contracts	174	241	168	931
Effect of changes in instrument-specific credit risk on market risk benefits	18	(3)	53	657
Defined benefit plans	—	1	—	1
Foreign currency translation adjustment	(60)	(127)	14	(295)
Total other comprehensive income (loss), net of tax	(491)	(917)	(294)	(2,023)
Total comprehensive income (loss)	$ 381	$ 144	$ 1,885	$ 477

(1) Certain prior period amounts have been restated. See Note 3 for more information.

	Three Months Ended March 31,	
	2024	2023
	(in millions)	
Net income	$ 990	$ 417
Other comprehensive income (loss), net of tax:		
Net unrealized gains (losses) on securities	(178)	430
Net unrealized gains (losses) on derivatives	—	2
Effect of changes in discount rate assumptions on certain long-duration contracts	69	(65)
Effect of changes in instrument-specific credit risk on market risk benefits	(37)	161
Foreign currency translation adjustment	(18)	33
Total other comprehensive income (loss), net of tax	(164)	561
Total comprehensive income (loss)	$ 826	$ 978

See Notes to Consolidated Financial Statements.

Index

AMERIPRISE FINANCIAL, INC.

CONSOLIDATED BALANCE SHEETS (UNAUDITED)

	September 30, 2023	December 31, 2022 (1)
	(in millions, except share amounts)	
Assets		
Cash and cash equivalents	$ 7,010	$ 6,964
Cash of consolidated investment entities	91	133
Investments (allowance for credit losses: 2023, $21; 2022, $39)	51,995	44,524
Investments of consolidated investment entities, at fair value	2,166	2,354
Market risk benefits	1,644	1,015
Separate account assets	72,354	73,962

Receivables (allowance for credit losses: 2023, $78; 2022, $75)	14,800	15,595
Receivables of consolidated investment entities, at fair value	29	20
Deferred acquisition costs	2,725	2,777
Restricted and segregated cash, cash equivalents and investments	1,569	2,229
Other assets	10,753	9,277
Other assets of consolidated investment entities, at fair value	—	2
Total assets	$ 165,136	$ 158,852
Liabilities and Equity		
Liabilities:		
Policyholder account balances, future policy benefits and claims	$ 35,526	$ 34,132
Market risk benefits	1,525	2,118
Separate account liabilities	72,354	73,962
Customer deposits	36,109	30,775
Short-term borrowings	201	201
Long-term debt	3,557	2,821
Debt of consolidated investment entities, at fair value	2,222	2,363
Accounts payable and accrued expenses	2,307	2,242
Other liabilities	7,473	6,316
Other liabilities of consolidated investment entities, at fair value	37	119
Total liabilities	161,311	155,049
Equity:		
Common shares ($0.01 par value; shares authorized, 1,250,000,000; shares issued, 336,610,420 and 335,864,062, respectively)	3	3
Additional paid-in capital	9,744	9,517
Retained earnings	21,670	19,918
Treasury shares, at cost (235,229,154 and 230,585,072 shares, respectively)	(24,752)	(23,089)
Accumulated other comprehensive income (loss), net of tax	(2,840)	(2,546)
Total equity	3,825	3,803
Total liabilities and equity	$ 165,136	$ 158,852

(1) Certain prior period amounts have been restated. See Note 3 for more information.

	March 31, 2024	December 31, 2023
	(in millions, except share amounts)	
Assets		
Cash and cash equivalents	$ 7,071	$ 7,477
Cash of consolidated investment entities	135	87
Investments (allowance for credit losses: 2024, $22; 2023, $22)	56,249	55,489
Investments of consolidated investment entities, at fair value	2,028	2,099
Market risk benefits	1,964	1,427
Separate account assets	79,753	77,457
Receivables (allowance for credit losses: 2024, $79; 2023, $81)	14,911	15,078
Receivables of consolidated investment entities, at fair value	25	28
Deferred acquisition costs	2,701	2,713
Restricted and segregated cash, cash equivalents and investments	1,591	1,635
Other assets	13,403	11,700
Other assets of consolidated investment entities, at fair value	—	1
Total assets	$ 179,831	$ 175,191
Liabilities and Equity		
Liabilities:		
Policyholder account balances, future policy benefits and claims	$ 38,667	$ 37,545
Market risk benefits	1,335	1,762

Separate account liabilities	79,753	77,457
Customer deposits	36,982	37,321
Short-term borrowings	201	201
Long-term debt	3,398	3,399
Debt of consolidated investment entities, at fair value	2,119	2,155
Accounts payable and accrued expenses	2,166	2,603
Other liabilities	10,275	7,974
Other liabilities of consolidated investment entities, at fair value	56	45
Total liabilities	174,952	170,462
Equity:		
Common shares ($0.01 par value; shares authorized, 1,250,000,000; shares issued, 337,314,627 and 336,780,893, respectively)	3	3
Additional paid-in capital	9,924	9,824
Retained earnings	22,752	21,905
Treasury shares, at cost (237,670,262 and 236,607,681 shares, respectively)	(25,870)	(25,237)
Accumulated other comprehensive income (loss), net of tax	(1,930)	(1,766)
Total equity	4,879	4,729
Total liabilities and equity	$ 179,831	$ 175,191

See Notes to Consolidated Financial Statements.

Index

AMERIPRISE FINANCIAL, INC.

CONSOLIDATED STATEMENTS OF EQUITY (UNAUDITED)

	Number of Outstanding Shares	Common Shares	Additional Paid-In Capital	Retained Earnings	Treasury Shares	Accumulated Other Comprehensive Income (Loss)	Total
		(in millions, except per share data)					
Balances at July 1, 2023	102,793,359	$ 3	$ 9,670	$ 20,941	$ (24,185)	$ (2,349)	$ 4,080
Net income	—	—	—	872	—	—	872
Other comprehensive income (loss), net of tax	—	—	—	—	—	(491)	(491)
Dividends to shareholders	—	—	—	(143)	—	—	(143)
Repurchase of common shares	(1,646,485)	—	—	—	(568)	—	(568)
Share-based compensation plans	234,392	—	74	—	1	—	75
Balances at September 30, 2023	101,381,266	$ 3	$ 9,744	$ 21,670	$ (24,752)	$ (2,840)	$ 3,825
Balances at July 1, 2022	108,438,618	$ 3	$ 9,380	$ 18,486	$ (22,051)	$ (1,748)	$ 4,070
Net income	—	—	—	1,061	—	—	1,061
Other comprehensive income (loss), net of tax	—	—	—	—	—	(917)	(917)
Dividends to shareholders	—	—	—	(141)	—	—	(141)
Repurchase of common shares	(1,931,209)	—	—	—	(509)	—	(509)
Share-based compensation plans	186,202	—	54	—	—	—	54
Balances at September 30, 2022 (1)	106,693,611	$ 3	$ 9,434	$ 19,406	$ (22,560)	$ (2,665)	$ 3,618
Balances at January 1, 2023	105,278,990	$ 3	$ 9,517	$ 19,918	$ (23,089)	$ (2,546)	$ 3,803
Net income	—	—	—	2,179	—	—	2,179
Other comprehensive income (loss), net of tax	—	—	—	—	—	(294)	(294)
Dividends to shareholders	—	—	—	(427)	—	—	(427)
Repurchase of common shares	(5,277,936)	—	—	—	(1,727)	—	(1,727)
Share-based compensation plans	1,380,212	—	227	—	64	—	291
Balances at September 30, 2023	101,381,266	$ 3	$ 9,744	$ 21,670	$ (24,752)	$ (2,840)	$ 3,825

Balances at January 1, 2022	110,861,010	$ 3	$ 9,220	$ 17,322	$ (21,066)	$ (642)	$ 4,837
Net income	—	—	—	2,500	—	—	2,500
Other comprehensive income (loss), net of tax	—	—	—	—	—	(2,023)	(2,023)
Dividends to shareholders	—	—	—	(416)	—	—	(416)
Repurchase of common shares	(5,655,820)	—	—	—	(1,565)	—	(1,565)
Share-based compensation plans	1,488,421	—	214	—	71	—	285
Balances at September 30, 2022 (1)	106,693,611	$ 3	$ 9,434	$ 19,406	$ (22,560)	$ (2,665)	$ 3,618

(1) Certain prior period amounts have been restated. See Note 3 for more information.

	Number of Outstanding Shares	Common Shares	Additional Paid-In Capital	Retained Earnings	Treasury Shares	Accumulated Other Comprehensive Income (Loss)	Total
	(in millions, except per share data)						
Balances at January 1, 2024	100,173,212	$ 3	$ 9,824	$ 21,905	$ (25,237)	$ (1,766)	$ 4,729
Net income	—	—	—	990	—	—	990
Other comprehensive income (loss), net of tax	—	—	—	—	—	(164)	(164)
Dividends to shareholders	—	—	—	(143)	—	—	(143)
Repurchase of common shares	(1,741,372)	—	—	—	(706)	—	(706)
Share-based compensation plans	1,212,525	—	100	—	73	—	173
Balances at March 31, 2024	99,644,365	$ 3	$ 9,924	$ 22,752	$ (25,870)	$ (1,930)	$ 4,879
Balances at January 1, 2023	105,278,990	$ 3	$ 9,517	$ 19,918	$ (23,089)	$ (2,546)	$ 3,803
Net income	—	—	—	417	—	—	417
Other comprehensive income (loss), net of tax	—	—	—	—	—	561	561
Dividends to shareholders	—	—	—	(138)	—	—	(138)
Repurchase of common shares	(2,011,353)	—	—	—	(657)	—	(657)
Share-based compensation plans	1,088,797	—	95	—	63	—	158
Balances at March 31, 2023	104,356,434	$ 3	$ 9,612	$ 20,197	$ (23,683)	$ (1,985)	$ 4,144

See Notes to Consolidated Financial Statements.

Index

AMERIPRISE FINANCIAL, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

		Nine Months Ended September 30,		Three Months Ended March 31,	
		2023	2022 (1)	2024	2023
		(in millions)			
Cash Flows from Operating Activities	**Cash Flows from Operating Activities**				
Net income	Net income	$ 2,179	$ 2,500		
Net income					
Net income					
Adjustments to reconcile net income to net cash provided by (used in) operating activities:	Adjustments to reconcile net income to net cash provided by (used in) operating activities:				
Depreciation, amortization and accretion, net					
Depreciation, amortization and accretion, net					

Depreciation, amortization and accretion, net	Depreciation, amortization and accretion, net	(114)	(11)
Deferred income tax expense (benefit)	Deferred income tax expense (benefit)	106	292
Share-based compensation	Share-based compensation	138	127
Net realized investment (gains) losses	Net realized investment (gains) losses	47	(5)
Net trading (gains) losses	Net trading (gains) losses	(6)	8
Loss from equity method investments	Loss from equity method investments	19	25
Impairments and provision for loan and credit losses	Impairments and provision for loan and credit losses	(15)	93
Net (gains) losses of consolidated investment entities	Net (gains) losses of consolidated investment entities	18	5
Changes in operating assets and liabilities:	Changes in operating assets and liabilities:		
Restricted and segregated investments	Restricted and segregated investments	(107)	(246)
Restricted and segregated investments			
Restricted and segregated investments			
Deferred acquisition costs	Deferred acquisition costs	52	48
Policyholder account balances, future policy benefits and claims, and market risk benefits, net	Policyholder account balances, future policy benefits and claims, and market risk benefits, net	1,231	324
Derivatives, net of collateral			
Derivatives, net of collateral			
Derivatives, net of collateral	Derivatives, net of collateral	(431)	465
Receivables	Receivables	324	(138)
Brokerage deposits	Brokerage deposits	(615)	(168)
Accounts payable and accrued expenses	Accounts payable and accrued expenses	64	(414)

Current income tax, net	Current income tax, net	(338)	(61)
Deferred taxes, net		1	10
Other operating assets and liabilities of consolidated investment entities, net			
Other operating assets and liabilities of consolidated investment entities, net			
Other operating assets and liabilities of consolidated investment entities, net	Other operating assets and liabilities of consolidated investment entities, net	(8)	1
Other, net	Other, net	(3)	335
Net cash provided by (used in) operating activities	Net cash provided by (used in) operating activities	2,542	3,190
Cash Flows from Investing Activities	**Cash Flows from Investing Activities**		
Cash Flows from Investing Activities			
Cash Flows from Investing Activities			
Available-for-Sale securities:	Available-for-Sale securities:		
Available-for-Sale securities:			
Available-for-Sale securities:			
Proceeds from sales			
Proceeds from sales			
Proceeds from sales	Proceeds from sales	726	738
Maturities, sinking fund payments and calls	Maturities, sinking fund payments and calls	6,660	5,849
Purchases	Purchases	(15,194)	(15,452)
Proceeds from sales, maturities and repayments of mortgage loans	Proceeds from sales, maturities and repayments of mortgage loans	108	111
Funding of mortgage loans	Funding of mortgage loans	(187)	(147)
Proceeds from sales, maturities and collections of other investments	Proceeds from sales, maturities and collections of other investments	115	48
Purchase of other investments	Purchase of other investments	(73)	(75)
Purchase of investments by consolidated investment entities	Purchase of investments by consolidated investment entities	(347)	(763)

Proceeds from sales, maturities and repayments of investments by consolidated investment entities	Proceeds from sales, maturities and repayments of investments by consolidated investment entities	492	466
Purchase of land, buildings, equipment and software	Purchase of land, buildings, equipment and software	(134)	(126)
Cash paid for written options with deferred premiums	Cash paid for written options with deferred premiums	(59)	(411)
Cash received from written options with deferred premiums	Cash received from written options with deferred premiums	43	141
Cash returned (paid) for acquisition of business, net of cash acquired		—	34
Cash paid for deposit receivables			
Cash paid for deposit receivables			
Cash paid for deposit receivables	Cash paid for deposit receivables	(30)	(34)
Cash received for deposit receivables	Cash received for deposit receivables	579	393
Other, net	Other, net	(41)	(13)
Net cash provided by (used in) investing activities	Net cash provided by (used in) investing activities	$(7,342)	$(9,241)

See Notes to Consolidated Financial Statements.

Index

AMERIPRISE FINANCIAL, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED) (Continued)

	Nine Months Ended September 30,	
	2023	2022 (1)
	(in millions)	
Cash Flows from Financing Activities		
Investment certificates:		
Proceeds from additions	$ 8,572	$ 3,844
Maturities, withdrawals and cash surrenders	(5,279)	(2,942)
Policyholder account balances:		
Deposits and other additions	1,033	766
Net transfers from (to) separate accounts	(89)	(128)
Surrenders and other benefits	(1,539)	(989)
Change in banking deposits, net	2,666	7,173
Cash paid for purchased options with deferred premiums	(49)	(159)
Cash received from purchased options with deferred premiums	251	230
Issuance of long-term debt, net of issuance costs	741	495

Repayments of long-term debt	(8)	(507)
Dividends paid to shareholders	(414)	(401)
Repurchase of common shares	(1,660)	(1,490)
Borrowings of consolidated investment entities	—	341
Repayments of debt by consolidated investment entities	(197)	(1)
Other, net	2	(19)
Net cash provided by (used in) financing activities	4,030	6,213
Effect of exchange rate changes on cash	6	(116)
Net increase (decrease) in cash and cash equivalents, including amounts restricted	(764)	46
Cash and cash equivalents, including amounts restricted, at beginning of period	8,755	9,569
Cash and cash equivalents, including amounts restricted, at end of period	$ 7,991	$ 9,615
Supplemental Disclosures:		
Interest paid excluding consolidated investment entities	$ 438	$ 89
Interest paid by consolidated investment entities	132	49
Income taxes paid, net	796	367
Leased assets obtained in exchange for operating lease liabilities	58	42

	September 30, 2023	December 31, 2022
	(in millions)	
Reconciliation of cash and cash equivalents, including amounts restricted:		
Cash and cash equivalents	$ 7,010	$ 6,964
Cash of consolidated investment entities	91	133
Restricted and segregated cash, cash equivalents and investments	1,569	2,229
Less: Restricted and segregated investments	(679)	(571)
Total cash and cash equivalents including amounts restricted per consolidated statements of cash flows	$ 7,991	$ 8,755

(1) Certain prior period amounts have been restated. See Note 3 for more information.

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED) (Continued)

	Three Months Ended March 31,	
	2024	2023
	(in millions)	
Cash Flows from Financing Activities		
Investment certificates:		
Proceeds from additions	$ 1,638	$ 3,590
Maturities, withdrawals and cash surrenders	(1,881)	(1,822)
Policyholder account balances:		
Deposits and other additions	358	339
Net transfers from (to) separate accounts	(26)	(19)
Surrenders and other benefits	(495)	(569)
Change in banking deposits, net	(170)	1,702
Cash paid for purchased options with deferred premiums	(51)	(24)
Cash received from purchased options with deferred premiums	26	8
Issuance of long-term debt, net of issuance costs	—	741
Repayments of long-term debt	(3)	(2)
Dividends paid to shareholders	(138)	(134)
Repurchase of common shares	(628)	(617)
Borrowings of consolidated investment entities	166	—
Repayments of debt by consolidated investment entities	(227)	(31)
Net cash provided by (used in) financing activities	(1,431)	3,162
Effect of exchange rate changes on cash	(5)	11
Net increase (decrease) in cash and cash equivalents, including amounts restricted	(561)	1,083
Cash and cash equivalents, including amounts restricted, at beginning of period	8,620	8,755

Cash and cash equivalents, including amounts restricted, at end of period	$ 8,059	$ 9,838
Supplemental Disclosures:		
Interest paid excluding consolidated investment entities	$ 195	$ 112
Interest paid by consolidated investment entities	44	44
Income taxes paid, net	25	33
Leased assets obtained in exchange for operating lease liabilities	11	7

	March 31, 2024	December 31, 2023
	(in millions)	
Reconciliation of cash and cash equivalents, including amounts restricted:		
Cash and cash equivalents	$ 7,071	$ 7,477
Cash of consolidated investment entities	135	87
Restricted and segregated cash, cash equivalents and investments	1,591	1,635
Less: Restricted and segregated investments	(738)	(579)
Total cash and cash equivalents including amounts restricted per consolidated statements of cash flows	$ 8,059	$ 8,620

See Notes to Consolidated Financial Statements.

Index

AMERIPRISE FINANCIAL, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

1. Basis of Presentation

Ameriprise Financial, Inc. is a holding company, which primarily conducts business through its subsidiaries to provide financial planning, products and services that are designed to be utilized as solutions for clients' cash and liquidity, asset accumulation, income, protection and estate and wealth transfer needs. The foreign operations of Ameriprise Financial, Inc. ("Ameriprise Financial") are conducted primarily through Columbia Threadneedle Investments UK International Limited, TAM UK International Holdings Ltd and Ameriprise Asset Management Holdings Singapore (Pte.) Ltd and their respective subsidiaries (collectively, "Threadneedle").

The accompanying Consolidated Financial Statements include the accounts of Ameriprise Financial, Inc., companies in which it directly or indirectly has a controlling financial interest and variable interest entities ("VIEs") in which it is the primary beneficiary (collectively, the "Company"). All intercompany transactions and balances have been eliminated in consolidation.

The interim financial information in this report has not been audited. In the opinion of management, all adjustments necessary for fair statement of the consolidated results of operations and financial position for the interim periods have been made. All adjustments made were of a normal recurring nature.

The accompanying Consolidated Financial Statements are prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). Certain reclassifications of prior period amounts have been made to conform with the current presentation. Results of operations reported for interim periods are not necessarily indicative of results for the entire year. These Consolidated Financial Statements and Notes should be read in conjunction with the Consolidated Financial Statements and Notes in the Company's Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023, filed with the Securities and Exchange Commission ("SEC") on February 23, 2023 February 22, 2024 ("2022 2023 10-K").

On July 13, 2023, the Company announced that it withdrew its application to convert Ameriprise Bank, FSB ("Ameriprise Bank") to a state-chartered industrial bank and its application to establish a new limited purpose national trust bank. Ameriprise Bank will continue to operate as it does today, regulated by the Office of the Comptroller of the Currency and the Federal Deposit Insurance Corporation.

The Company evaluated events or transactions that may have occurred after the balance sheet date for potential recognition or disclosure through the date the financial statements were issued. Other than disclosed in Note 12, no other No subsequent events or transactions requiring recognition or disclosure were identified.

2. Summary of Significant Accounting Policies

The Company adopted accounting standard, *Financial Services – Insurance – Targeted Improvements to the Accounting for Long-Duration Contracts*, on January 1, 2023. The significant accounting policies for market risk benefits ("MRB"); deferred acquisition costs ("DAC"); deferred sales inducement costs ("DSIC"); reinsurance; policyholder account balances, future policy benefits and claims; and unearned revenue liability were added or updated as a result of adopting the new accounting standard. See Note 3 for additional information related to the transition approach and adoption impact.

Amounts Based on Estimates and Assumptions

Accounting estimates are an integral part of the Consolidated Financial Statements. In part, they are based upon assumptions concerning future events. Among the more significant are those that relate to investment securities valuation and the recognition of credit losses or impairments, valuation of derivative instruments, litigation reserves, future policy benefits, market risk benefits, and income taxes and the recognition of deferred tax assets and liabilities. These accounting estimates reflect the best judgment of management and actual results could differ.

Market Risk Benefits

Market risk benefits are contracts or contract features that both provide protection to the contractholder from other-than-nominal capital market risk and expose the Company to other-than-nominal capital market risk. Market risk benefits include certain contract features on variable annuity products that provide minimum guarantees to contractholders. Guarantees accounted for as market risk benefits include guaranteed minimum death benefit ("GMDB"), guaranteed minimum income benefit ("GMIB"), guaranteed minimum withdrawal benefit (“GMWB”) and guaranteed minimum accumulation benefit (“GMAB”). If a contract contains multiple market risk benefits, those market risk benefits are bundled together as a single compound market risk benefit.

Market risk benefits are measured at fair value, at the individual contract level, using a non-option-based valuation approach or an option-based valuation approach dependent upon the fee structure of the contract. Changes in fair value are recognized in net income each period with the exception of the portion of the change in fair value due to a change in the instrument-specific credit risk, which is recognized in other comprehensive income (“OCI”).

Deferred Acquisition Costs

The Company incurs costs in connection with acquiring new and renewal insurance and annuity businesses. The portion of these costs which are incremental and direct to the acquisition of a new or renewal insurance policy or annuity contract are deferred. Significant costs capitalized include sales based compensation related to the acquisition of new and renewal insurance policies and annuity contracts, medical inspection costs for successful sales, and a portion of employee compensation and benefit costs based upon the

amount of time spent on successful sales. Sales based compensation paid to advisors and employees and third-party distributors is capitalized. Employee compensation and benefits costs which are capitalized relate primarily to sales efforts, underwriting and processing. All other costs which are not incremental direct costs of acquiring an insurance policy or annuity contract are expensed as incurred. The DAC associated with insurance policies or annuity contracts that are significantly modified or internally replaced with another contract are accounted for as write-offs. These transactions are anticipated in establishing amortization periods and other valuation assumptions.

The Company monitors other DAC amortization assumptions, such as persistency, mortality, morbidity, and variable annuity benefit utilization each quarter and, when assessed independently, each could impact the Company’s DAC balances. Unamortized DAC is reduced for actual experience in excess of expected experience.

The analysis of DAC balances and the corresponding amortization considers all relevant factors and assumptions described previously. Unless the Company’s management identifies a significant deviation over the course of the quarterly monitoring, management reviews and updates these DAC amortization assumptions annually in the third quarter of each year.

DAC is amortized on a constant-level basis for the grouped contracts over the expected contract term to approximate straight-line amortization. Contracts are grouped by contract type and issue year into cohorts consistent with the grouping used in estimating the associated liability for future policy benefits. DAC related to all long-duration product types (except for life contingent payout annuities) is grouped on a calendar-year annual basis for each legal entity. Further disaggregation is reported for any contracts that include an additional liability for death or other insurance benefit. DAC related to life contingent payout annuities is grouped on a calendar-year annual basis for each legal entity for policies issued prior to 2021 and on a quarterly basis for each legal entity thereafter.

DAC related to annuity products (including variable deferred annuities, structured variable annuities, fixed deferred annuities, and life contingent payout annuities) is amortized based on initial premium. DAC related to life insurance products (including universal life (“UL”) insurance, variable universal life (“VUL”) insurance, indexed universal life (“IUL”) insurance, term life insurance, and whole life insurance) is amortized based on original specified amount (i.e., face amount). DAC related to disability income (“DI”) insurance is amortized based on original monthly benefit.

The accounting contract term for annuity products (except for life contingent payout annuities) is over the projected accumulation period. Life contingent payout annuities are amortized over the period which annuity payments are expected to be paid. The accounting contract term for life insurance products is over the projected life of the contract. DI insurance is amortized over the projected life of the contract, including the claim paying period.

Deferred Sales Inducement Costs

Deferred sales inducements are contract features that are intended to attract new customers or to persuade existing customers to keep their current policy. Sales inducement costs consist of bonus interest credits and premium credits added to certain annuity contract and insurance policy values. These benefits are capitalized to the extent they are incremental to amounts that would be credited on similar contracts without the applicable feature. The amounts capitalized are amortized using the same methodology and assumptions used to amortize DAC. DSIC is recorded in Other assets and amortization of DSIC is recorded in Benefits, claims, losses and settlement expenses.

Reinsurance

The Company cedes insurance risk to other insurers under reinsurance agreements.

Reinsurance premiums paid and benefits received are accounted for consistently with the basis used in accounting for the policies from which risk is reinsured and consistently with the terms of the reinsurance contracts. Reinsurance premiums paid for traditional life, long term care (“LTC”), DI and life contingent payout annuities, net of the change in any prepaid reinsurance asset, are reported as a reduction of Premiums, policy and contract charges. Reinsurance recoveries are reported as components of Benefits, claims, losses and settlement expenses.

UL and VUL reinsurance premiums are reported as a reduction of Premiums, policy and contract charges. In addition, for UL and VUL insurance policies, the net cost of reinsurance ceded, which represents the discounted amount of the expected cash flows between the reinsurer and the Company, is classified as an asset and amortized based on estimated gross profits over the period the reinsured policies are in force. Changes in the net cost of reinsurance are reflected as a component of Premiums, policy and contract charges.

Insurance liabilities are reported before the effects of reinsurance. Policyholder account balances, future policy benefits and claims recoverable under reinsurance contracts are recorded within Receivables, net of the allowance for credit losses. The Company evaluates the financial condition of its reinsurers prior to entering into new reinsurance contracts and on a periodic basis during the contract term. The allowance for credit losses related to reinsurance recoverable is based on applying observable industry data including insurer ratings, default and loss severity data to the Company’s reinsurance recoverable balances. Management evaluates the results of the calculation and considers differences between the industry data and the Company’s data. Such differences include that

AMERIPRISE FINANCIAL, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (Continued)

the Company has no actual history of losses and that industry data may contain non-life insurers. This evaluation is inherently subjective as it requires estimates, which may be susceptible to significant change given the long-term nature of these receivables. In addition, the Company has a reinsurance protection agreement that provides credit protections for its reinsured long term care business. The allowance for credit losses on reinsurance recoverable is recorded through provisions charged to Benefits, claims, losses and settlement expenses.

The Company also assumes life insurance and fixed annuity risk from other insurers in limited circumstances. Reinsurance premiums received and benefits paid are accounted for consistently with the basis used in accounting for the policies from which risk is reinsured and consistently with the terms of the reinsurance contracts. Liabilities for assumed business are recorded within Policyholder account balances, future policy benefits and claims.

Policyholder Account Balances, Future Policy Benefits and Claims

The Company establishes reserves to cover the benefits associated with non-traditional and traditional long-duration products and short-duration products. Non-traditional long-duration products include variable and structured variable annuity contracts, fixed annuity contracts and UL and VUL policies. Traditional long-duration products include term life, whole life, DI and LTC insurance products.

Non-Traditional Long-Duration Products

The liabilities for non-traditional long-duration products include fixed account values on variable and fixed annuities and UL and VUL policies, non-life contingent payout annuities, liabilities for guaranteed benefits associated with variable annuities (including structured variable annuities) and embedded derivatives for structured variable annuities, indexed annuities, and IUL products.

Liabilities for fixed account values on variable annuities, structured variable annuities, fixed deferred annuities, and UL and VUL policies are equal to accumulation values, which are the cumulative gross deposits and credited interest less withdrawals and various charges. The liability for non-life contingent payout annuities is recognized as the present value of future payments using the effective yield at inception of the contract.

A portion of the Company’s UL and VUL policies have product features that result in profits followed by losses from the insurance component of the contract. These profits followed by losses can be generated by the cost structure of the product or secondary guarantees in the contract. The secondary guarantee ensures that, subject to specified conditions, the policy will not terminate and will continue to provide a death benefit even if there is insufficient policy value to cover the monthly deductions and charges. The liability for these future losses is determined at the reporting date by estimating the death benefits in excess of account value and recognizing the excess over the estimated life based on expected assessments (e.g. cost of insurance charges, contractual administrative charges, similar fees and investment margin). See Note 9 for information regarding the liability for contracts with secondary guarantees.

Liabilities for fixed deferred indexed annuity, structured variable annuity and IUL products are equal to the accumulation of host contract values, guaranteed benefits, and the fair value of embedded derivatives.

See Note 11 for information regarding variable annuity guarantees.

Embedded Derivatives

The fair value of embedded derivatives related to structured variable annuities, indexed annuities and IUL fluctuate based on equity markets and interest rates and the estimate of the Company’s nonperformance risk and is recorded in Policyholder account balances, future policy benefits and claims. See Note 13 for information regarding the fair value measurement of embedded derivatives.

Traditional Long-Duration Products

The liabilities for traditional long-duration products include cash flows related to unpaid amounts on reported claims, estimates of benefits payable on claims incurred but not yet reported and estimates of benefits that will become payable on term life, whole life, DI, LTC, and life contingent payout annuity policies as claims are incurred in the future. The claim liability (also referred to as disabled life reserves) is presented together as one liability for future policy benefits.

A liability for future policy benefits, which is the present value of estimated future policy benefits to be paid to or on behalf of policyholders and certain related expenses less the present value of estimated future net premiums to be collected from policyholders, is accrued as premium revenue is recognized. Expected insurance benefits are accrued over the life of the contract in proportion to premium revenue recognized (referred to as the net premium approach). The net premium ratio reflects cash flows from contract inception to contract termination (i.e., through the claim paying period) and cannot exceed 100%.

Assumptions utilized in the net premium approach, including mortality, morbidity and terminations, are reviewed as part of experience studies at least annually or more frequently if suggested by evidence. Expense assumptions and actual expenses are updated within the net premium calculation consistent with other policyholder assumptions.

The updated cash flows used in the calculation are discounted using a forward rate curve. The discount rate represents an upper-medium-grade (i.e., low credit risk) fixed-income instrument yield (i.e., an A rating) that reflects the duration characteristics of the

liability. Discount rates will be locked in annually, at the end of each year for all products, except life contingent payout annuities, and calculated as the monthly average discount rate curves for the year. For life contingent payout annuities, the discount rates will be locked in quarterly at the end of each quarter based on the average of the three months for the quarter.

The liability for future policy benefits will be updated for actual experience at least on an annual basis and concurrent with changes to cash flow assumptions. When net premiums are updated for cash flow changes, the estimated cash flows over the entire life of a group of contracts are updated using historical experience and updated future cash flow assumptions.

The revised net premiums are used to calculate an updated liability for future policy benefits as of the beginning of the reporting period, discounted at the original locked in rate (i.e., contract issuance rate). The updated liability for future policy benefits as of the beginning of the reporting period is then compared with the carrying amount of the liability as of that date prior to updating cash flow assumptions to determine the current period remeasurement gain or loss reflected in current period earnings. The revised net premiums are then applied as of the beginning of the quarter to calculate the benefit expense for the current reporting period.

The difference between the updated carrying amount of the liability for future policy benefits measured using the current discount rate assumption and the original discount rate assumption is recognized in OCI. The interest accretion rate remains the original discount rate used at contract issue date.

If the updating of cash flow assumptions results in the present value of future benefits and expenses exceeding the present value of future gross premiums, a charge to net income is recorded for the current reporting period such that net premiums are set equal to gross premiums. In subsequent periods, the liability for future policy benefits is accrued with net premiums set equal to gross premiums.

Contracts (except for life contingent payout annuities sold subsequent to December 31, 2020) are grouped into cohorts by contract type and issue year, as well as by legal entity and reportable segment. Life contingent payout annuities sold in periods beginning in 2021 are grouped into quarterly cohorts.

See Note 9 for information regarding the liabilities for traditional long-duration products.

Deferred Profit Liability

For limited-payment products, gross premiums received in excess of net premiums are deferred at initial recognition as a deferred profit liability (“DPL”). Gross premiums are measured using assumptions consistent with those used in the measurement of the liability for future policy benefits, including discount rate, mortality, lapses and expenses.

The DPL is amortized and recognized as premium revenue in proportion to expected future benefit payments from annuity contracts. Interest is accreted on the balance of the DPL using the discount rate determined at contract issuance. The Company reviews and updates its estimate of cash flows from the DPL at the same time as the estimates of cash flows for the liability for future policy benefits. When cash flows are updated, the updated estimates are used to recalculate the DPL at contract issuance. The recalculated DPL as of the beginning of the current reporting period is compared to the carrying amount of the DPL as of the beginning of the current reporting period, and any difference is recognized as either a charge or credit to premium revenue.

DPL is recorded in Policyholder account balances, future policy benefits and claims and included as a reconciling item within the disaggregated rollforwards.

Unearned Revenue Liability

The Company’s UL and VUL policies require payment of fees or other policyholder assessments in advance for services to be provided in future periods. These charges are deferred as unearned revenue and amortized consistent with DAC amortization factors. The unearned revenue liability is recorded in Other liabilities and the amortization is recorded in Premiums, policy and contract charges.

For clients who pay financial planning fees prior to the advisor’s delivery of the financial plan, the financial planning fees received in advance are deferred until the plan is delivered to the client.

3. Recent Accounting Pronouncements

Future Adoption of New Accounting Standards

Financial Instruments Segment Reporting – Credit Losses – Troubled Debt Restructurings and Vintage Improvements to Reportable Segment Disclosures

In March 2022, November 2023, the Financial Accounting Standards Board (“FASB”) proposed amendments to issued Accounting Standards Update (“ASU”) 2016-13, 2023-07, *Financial Instruments—Credit Losses: Measurement of Credit Losses on Financial Instruments Improvements to Reportable Segment Disclosures*(“Topic 326”). The update removes the recognition and measurement guidance for Troubled Debt Restructurings (“TDRs”) by creditors in Subtopic 310-40, *Receivables—Troubled Debt Restructurings by Creditors,* and modifies the , updating reportable segment disclosure requirements for certain loan refinancing and restructuring by creditors when a borrower is experiencing financial difficulty. Rather than applying in accordance with Topic 280, *Segment Reporting* (“Topic 280”), primarily through enhanced disclosures about significant segment expenses. In addition, the recognition and measurement for TDRs, amendments enhance interim disclosure requirements, clarify circumstances in which an entity must apply can disclose multiple segment measures of profit or loss and contain other disclosure requirements. The amendments are effective for annual periods beginning after December 15, 2023, and interim periods beginning after December 15, 2024. Early adoption is permitted. The Company is assessing changes to the loan refinancing segment-related disclosures resulting from the standard. The adoption of the standard will not have an impact on the Company’s consolidated results of operations and restructuring guidance financial condition as the standard is disclosure-related only.

Income Taxes – Improvements to determine whether a modification Income Tax Disclosures

In December 2023, the FASB issued ASU 2023-09, *Improvements to Income Tax Disclosures*, updating the accounting standards related to income tax disclosures, primarily focused on the disaggregation of income taxes paid and the rate reconciliation table. The standard is to be applied prospectively with an option for retrospective application and is effective for annual periods beginning after December 15, 2024, with early adoption permitted. The Company is assessing changes to the income tax-related disclosures resulting from the standard. The adoption of the standard will not have an impact on the Company’s consolidated results in a new loan or a continuation of an existing loan. The update also requires entities to disclose current-period gross write-offs operations and financial condition as the standard is disclosure-related only.

by year of origination for financing receivables and net investments in leases within the scope of Subtopic 326-20, *Financial Instruments—Credit Losses—Measured at Amortized Cost.* The amendments are to be applied prospectively, but entities may apply a modified retrospective transition for changes to the recognition and measurement of TDRs. For entities that have adopted Topic 326, the amendments are effective for interim and annual periods beginning after December 15, 2022. The Company adopted the standard on January 1, 2023. The adoption of this update did not have a material impact on the Company’s consolidated results of operations and financial condition and modifications to disclosures are immaterial in the current period.

Business Combinations – Accounting for Contract Assets and Contract Liabilities from Contracts with Customers

In October 2021, the FASB updated the accounting standards to require an entity (acquirer) to recognize and measure contract assets and contract liabilities acquired in a business combination in accordance with Topic 606, *Revenue for Contracts with Customers* (“Topic 606”). At the acquisition date, an acquirer is required to account for the related revenue contracts in accordance with Topic 606 as if it had originated the contracts. Generally, this should result in an acquirer recognizing and measuring the acquired contract assets and contract liabilities consistent with how they were recognized and measured in the acquiree's financial statements (if the acquiree prepared financial statements in accordance with GAAP). The amendments apply to all contract assets and contract liabilities acquired in a business combination that result from contracts accounted for under the principals of Topic 606. The standard is effective for interim and annual periods beginning after December 15, 2022. The Company adopted the standard on January 1, 2023. The adoption of this update did not have an impact on the Company’s consolidated results of operations and financial condition.

Financial Services – Insurance – Targeted Improvements to the Accounting for Long-Duration Contracts

In August 2018, the FASB updated the accounting standard related to long-duration insurance contracts (ASU 2018-12). The guidance changes elements of the measurement models and disclosure requirements for an insurer's long-duration insurance contract benefits and acquisition costs by expanding the use of fair value accounting to certain contract benefits, requiring updates, if any, and at least annually, to assumptions used to measure liabilities for future policy benefits, changing the amortization pattern of deferred acquisition costs to a constant-level basis and removing certain shadow adjustments previously recorded in accumulated other comprehensive income (loss) ("AOCI"). Adoption of the accounting standard did not impact overall cash flows, insurance subsidiaries' dividend capacity, or regulatory capital requirements.

When the Company adopted the standard effective January 1, 2023 with a transition date of January 1, 2021 (the "transition date"), opening equity was adjusted for the adoption impacts to retained earnings and AOCI and prior periods presented (i.e. 2021 and 2022) were restated. The adoption impact as of January 1, 2021 was a reduction in total equity of $1.9 billion, of which $0.9 billion and $1.0 billion were reflected in retained earnings and AOCI, respectively.

The following table presents the effects of the adoption of the above new accounting standard to the Company's previously reported Consolidated Balance Sheets:

	As Filed December 31, 2022	Adjustment	Post-adoption December 31, 2022	As Filed December 31, 2021	Adjustment	Post-adoption December 31, 2021
	(in millions)					
Assets						
Market risk benefits	$ —	$ 1,015	$ 1,015	$ —	$ 539	$ 539
Receivables (allowance for credit losses: 2022, $75; 2021, $55)	15,779	(184)	15,595	16,205	927	17,132
Deferred acquisition costs	3,160	(383)	2,777	2,782	62	2,844
Other assets	9,341	(64)	9,277	11,375	297	11,672
Total assets	$ 158,468	$ 384	$ 158,852	$ 175,910	$ 1,825	$ 177,735
Liabilities and Equity						
Liabilities:						
Policyholder account balances, future policy benefits and claims	$ 36,067	$ (1,935)	$ 34,132	$ 35,750	$ (727)	$ 35,023
Market risk benefits	—	2,118	2,118	—	3,440	3,440
Other liabilities	6,305	11	6,316	8,641	216	8,857
Total liabilities	154,855	194	155,049	169,969	2,929	172,898
Equity:						
Retained earnings	19,531	387	19,918	17,525	(203)	17,322
Accumulated other comprehensive income (loss), net of tax	(2,349)	(197)	(2,546)	259	(901)	(642)
Total equity	3,613	190	3,803	5,941	(1,104)	4,837
Total liabilities and equity	$ 158,468	$ 384	$ 158,852	$ 175,910	$ 1,825	$ 177,735

The following tables present the effects of the adoption of the above new accounting standard to the Company's previously reported Consolidated Statements of Operations:

	Three Months Ended September 30,					
	As Filed 2022	Adjustment	Post-adoption 2022	As Filed 2021	Adjustment	Post-adoption 2021
	(in millions, except per share amounts)					
Revenues						
Distribution fees	$ 506	$ —	$ 506	$ 458	$ (3)	$ 455
Premiums, policy and contract charges	361	(7)	354	(805)	(1)	(806)
Total revenues	3,506	(7)	3,499	2,906	(4)	2,902
Total net revenues	3,491	(7)	3,484	2,903	(4)	2,899
Benefits and expenses						
Distribution expenses	1,195	3	1,198	1,285	4	1,289
Benefits, claims, losses and settlement expenses	370	(289)	81	(719)	(267)	(986)

Remeasurement (gains) losses of future policy benefit reserves	—	(1)	(1)	—	(2)	(2)
Change in fair value of market risk benefits	—	(321)	(321)	—	341	341
Amortization of deferred acquisition costs	107	(49)	58	9	54	63
Total expenses	2,806	(657)	2,149	1,633	130	1,763
Pretax income	685	650	1,335	1,270	(134)	1,136
Income tax provision	137	137	274	239	(29)	210
Net income	$ 548	$ 513	$ 1,061	$ 1,031	$ (105)	$ 926
Earnings per share						
Basic	$ 4.96	$ 4.64	$ 9.60	$ 8.86	$ (0.90)	$ 7.96
Diluted	$ 4.86	$ 4.55	$ 9.41	$ 8.65	$ (0.88)	$ 7.77

	Nine Months Ended September 30,					
	As Filed 2022	Adjustment	Post-adoption 2022	As Filed 2021	Adjustment	Post-adoption 2021
	(in millions, except per share amounts)					
Revenues						
Distribution fees	$ 1,410	$ 1	$ 1,411	$ 1,368	$ (3)	$ 1,365
Premiums, policy and contract charges	1,094	(60)	1,034	(94)	(33)	(127)
Total revenues	10,674	(59)	10,615	9,681	(36)	9,645
Total net revenues	10,654	(59)	10,595	9,671	(36)	9,635
Benefits and expenses						
Distribution expenses	3,728	9	3,737	3,693	10	3,703
Benefits, claims, losses and settlement expenses	663	(746)	(83)	338	(816)	(478)
Remeasurement (gains) losses of future policy benefit reserves	—	(6)	(6)	—	(47)	(47)
Change in fair value of market risk benefits	—	298	298	—	(135)	(135)
Amortization of deferred acquisition costs	355	(165)	190	77	117	194
Total expenses	8,091	(610)	7,481	7,187	(871)	6,316
Pretax income	2,563	551	3,114	2,484	835	3,319
Income tax provision	498	116	614	425	177	602
Net income	$ 2,065	$ 435	$ 2,500	$ 2,059	$ 658	$ 2,717
Earnings per share						
Basic	$ 18.42	$ 3.88	$ 22.30	$ 17.42	$ 5.57	$ 22.99
Diluted	$ 18.05	$ 3.80	$ 21.85	$ 17.03	$ 5.44	$ 22.47

	Years Ended December 31,					
	As Filed 2022	Adjustment	Post-adoption 2022	As Filed 2021	Adjustment	Post-adoption 2021
	(in millions, except per share amounts)					
Revenues						
Distribution fees	$ 1,938	$ 1	$ 1,939	$ 1,830	$ (2)	$ 1,828
Premiums, policy and contract charges	1,411	(14)	1,397	273	(52)	221
Total revenues	14,347	(13)	14,334	13,443	(54)	13,389
Total net revenues	14,271	(13)	14,258	13,431	(54)	13,377
Benefits and expenses						
Distribution expenses	4,923	12	4,935	5,015	13	5,028
Benefits, claims, losses and settlement expenses	1,372	(1,130)	242	716	(872)	(156)
Remeasurement (gains) losses of future policy benefit reserves	—	1	1	—	(52)	(52)

Change in fair value of market risk benefits	—	311	311	—	(113)	(113)
Amortization of deferred acquisition costs	208	44	252	124	135	259
Total expenses	11,089	(762)	10,327	10,081	(889)	9,192
Pretax income	3,182	749	3,931	3,350	835	4,185
Income tax provision	623	159	782	590	178	768
Net income	$ 2,559	$ 590	$ 3,149	$ 2,760	$ 657	$ 3,417
Earnings per share						
Basic	$ 22.99	$ 5.30	$ 28.29	$ 23.53	$ 5.60	$ 29.13
Diluted	$ 22.51	$ 5.19	$ 27.70	$ 23.00	$ 5.48	$ 28.48

The adoption of the standard did not affect the previously reported totals for net cash flows provided by (used in) operating, investing, or financing activities.

Leases – Common Control Arrangements

In March 2023, the FASB proposed amendments to ASU 2016-02, *Leases* ("Topic 842"). The update applicable to all entities requires leasehold improvements associated with common control leases to be amortized over the useful life of the leasehold improvements to the common control group as long as the lessee controls the use of the underlying asset through a lease and to be accounted for as a transfer between entities under common control through an adjustment to equity if, and when, the lessee no longer controls the use of the underlying asset. The amendment is effective for fiscal years beginning after December 15, 2023, including interim periods within those fiscal years. Early adoption is permitted for both interim and annual financial statements that have not yet been made available for issuance. The Company early adopted the update during the second quarter of 2023 and will apply the amendments prospectively as of the beginning of 2023 to all new and existing leasehold improvements recognized on or after that date with any remaining unamortized balance of existing leasehold improvements amortized over their remaining useful life to the common control group determined at that date. The adoption of this update did not have a material impact on the Company's consolidated results of operations and financial condition.

Index

4. 3. Revenue from Contracts with Customers

The following tables present revenue disaggregated by segment on an adjusted operating basis with a reconciliation of segment revenues to those reported on the Consolidated Statements of Operations:

	Three Months Ended September 30, 2023						
	Advice & Wealth Management	Asset Management	Retirement & Protection Solutions	Corporate & Other	Total Segments	Non-operating Revenue	Total
	(in millions)						
Management and financial advice fees:							
Asset management fees:							
Retail	$ —	$ 499	$ —	$ —	$ 499	$ —	$ 499
Institutional	—	165	—	—	165	—	165
Advisory fees	1,228	—	—	—	1,228	—	1,228
Financial planning fees	102	—	—	—	102	—	102
Transaction and other fees	94	50	14	—	158	—	158
Total management and financial advice fees	1,424	714	14	—	2,152	—	2,152
Distribution fees:							
Mutual funds	184	53	—	—	237	—	237
Insurance and annuity	226	39	82	—	347	—	347
Off-balance sheet brokerage cash	58	—	—	—	58	—	58
Other products	84	—	—	—	84	—	84
Total distribution fees	552	92	82	—	726	—	726
Other revenues	57	2	—	—	59	—	59
Total revenue from contracts with customers	2,033	808	96	—	2,937	—	2,937
Revenue from other sources (1)	525	18	780	149	1,472	13	1,485
Total segment gross revenues	2,558	826	876	149	4,409	13	4,422
Banking and deposit interest expense	(151)	—	—	(6)	(157)	—	(157)
Total segment net revenues	2,407	826	876	143	4,252	13	4,265
Elimination of intersegment revenues	(217)	(21)	(104)	5	(337)	(3)	(340)

Total net revenues	$ 2,190	$ 805	$ 772	$ 148	$ 3,915	$ 10	$ 3,925

[Index](#)

AMERIPRISE FINANCIAL, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (Continued)

	Three Months Ended September 30, 2022						
	Advice & Wealth Management	Asset Management	Retirement & Protection Solutions	Corporate & Other	Total Segments	Non-operating Revenue	Total
	(in millions)						
Management and financial advice fees:							
Asset management fees:							
Retail	$ —	$ 509	$ —	$ —	$ 509	$ —	$ 509
Institutional	—	159	—	—	159	—	159
Advisory fees	1,107	—	—	—	1,107	—	1,107
Financial planning fees	97	—	—	—	97	—	97
Transaction and other fees	93	51	15	—	159	—	159
Total management and financial advice fees	1,297	719	15	—	2,031	—	2,031
Distribution fees:							
Mutual funds	180	56	—	—	236	—	236
Insurance and annuity	205	40	84	—	329	—	329
Off-balance sheet brokerage cash (2)	110	—	—	—	110	—	110
Other products	84	—	—	—	84	—	84
Total distribution fees	579	96	84	—	759	—	759
Other revenues	51	1	—	—	52	—	52
Total revenue from contracts with customers	1,927	816	99	—	2,842	—	2,842
Revenue from other sources (1)	225	7	684	117	1,033	(55)	978
Total segment gross revenues	2,152	823	783	117	3,875	(55)	3,820
Banking and deposit interest expense	(15)	—	—	(2)	(17)	—	(17)
Total segment net revenues	2,137	823	783	115	3,858	(55)	3,803
Elimination of intersegment revenues	(202)	(14)	(101)	1	(316)	(3)	(319)
Total net revenues	$ 1,935	$ 809	$ 682	$ 116	$ 3,542	$ (58)	$ 3,484

[Index](#)

AMERIPRISE FINANCIAL, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (Continued)

	Nine Months Ended September 30, 2023						
	Advice & Wealth Management	Asset Management	Retirement & Protection Solutions	Corporate & Other	Total Segments	Non-operating Revenue	Total
	(in millions)						

	Three Months Ended March 31, 2024								Three Months Ended March 31, 2024
	Advice & Wealth Management	Advice & Wealth Management	Asset Management	Retirement & Protection Solutions	Corporate & Other	Total Segments	Non-operating Revenue	Total	
	(in millions)								(in millions)
Management and financial advice fees:	Management and financial advice fees:								

Asset management fees:	Asset management fees:							
Asset management fees:								
Asset management fees:								
Retail								
Retail								
Retail	Retail	$ —	$ 1,480	$ —	$ —	$ 1,480	$ —	$ 1,480
Institutional	Institutional	—	474	—	—	474	—	474
Advisory fees	Advisory fees	3,491	—	—	—	3,491	—	3,491
Financial planning fees	Financial planning fees	307	—	—	—	307	—	307
Transaction and other fees	Transaction and other fees	279	146	42	—	467	—	467
Total management and financial advice fees	Total management and financial advice fees	4,077	2,100	42	—	6,219	—	6,219
Distribution fees:	Distribution fees:							
Mutual funds								
Mutual funds								
Mutual funds	Mutual funds	538	156	—	—	694	—	694
Insurance and annuity	Insurance and annuity	659	116	244	—	1,019	—	1,019
Off-balance sheet brokerage cash	Off-balance sheet brokerage cash	268	—	—	—	268	—	268
Other products	Other products	249	—	—	—	249	—	249
Total distribution fees	Total distribution fees	1,714	272	244	—	2,230	—	2,230
Other revenues	Other revenues	174	14	—	—	188	—	188
Total revenue from contracts with customers	Total revenue from contracts with customers	5,965	2,386	286	—	8,637	—	8,637
Revenue from other sources (1)	Revenue from other sources (1)	1,435	47	2,272	430	4,184	113	4,297
Total segment gross revenues	Total segment gross revenues	7,400	2,433	2,558	430	12,821	113	12,934
Banking and deposit interest expense	Banking and deposit interest expense	(385)	—	—	(13)	(398)	—	(398)
Total segment net revenues	Total segment net revenues	7,015	2,433	2,558	417	12,423	113	12,536
Elimination of intersegment revenues	Elimination of intersegment revenues	(629)	(57)	(310)	12	(984)	(9)	(993)
Total net revenues	Total net revenues	$ 6,386	$ 2,376	$ 2,248	$ 429	$11,439	$ 104	$11,543

Index

AMERIPRISE FINANCIAL, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (Continued)

	Nine Months Ended September 30, 2022						
	Advice & Wealth Management	Asset Management	Retirement & Protection Solutions	Corporate & Other	Total Segments	Non-operating Revenue	Total
	(in millions)						

	Three Months Ended March 31, 2023						
	Advice & Wealth Management	Asset Management	Retirement & Protection Solutions	Corporate & Other	Total Segments	Non-operating Revenue	Total
	(in millions)						

	Advice & Wealth Management	Asset Management	Retirement & Protection Solutions	Corporate & Other	Total Segments	Non-operating Revenue	Total
Management and financial advice fees:							
Asset management fees:							
Asset management fees:							
Asset management fees:							
Retail							
Retail							
Retail	$ —	$ 1,696	$ —	$ —	$ 1,696	$ —	$ 1,696
Institutional	—	527	—	—	527	—	527
Advisory fees	3,442	—	—	—	3,442	—	3,442
Financial planning fees	293	—	—	—	293	—	293
Transaction and other fees	282	160	46	—	488	—	488
Total management and financial advice fees	4,017	2,383	46	—	6,446	—	6,446
Distribution fees:							
Mutual funds	570	179	—	—	749	—	749
Mutual funds							
Mutual funds							
Insurance and annuity	642	128	267	—	1,037	—	1,037
Off-balance sheet brokerage cash (2)	180	—	—	—	180	—	180
Off-balance sheet brokerage cash							
Other products	258	—	—	—	258	—	258
Total distribution fees	1,650	307	267	—	2,224	—	2,224

Other revenues	Other revenues	158	7	—	—	165	—	165
Total revenue from contracts with customers	Total revenue from contracts with customers	5,825	2,697	313	—	8,835	—	8,835
Revenue from other sources (1)	Revenue from other sources (1)	430	24	1,998	352	2,804	(9)	2,795
Total segment gross revenues	Total segment gross revenues	6,255	2,721	2,311	352	11,639	(9)	11,630
Banking and deposit interest expense	Banking and deposit interest expense	(20)	—	—	(2)	(22)	—	(22)
Total segment net revenues	Total segment net revenues	6,235	2,721	2,311	350	11,617	(9)	11,608
Elimination of intersegment revenues	Elimination of intersegment revenues	(651)	(37)	(318)	1	(1,005)	(8)	(1,013)
Total net revenues	Total net revenues	$ 5,584	$ 2,684	$ 1,993	$ 351	$10,612	$ (17)	$10,595

(1) Revenues not included in the scope of the revenue from contracts with customers standard. The amounts primarily consist of revenue associated with insurance and annuity products and investment income from financial instruments.

(2) Prior to the fourth quarter of 2022, Off-balance sheet brokerage cash was included in Other products. Prior periods have been updated to be comparative.

The following discussion describes the nature, timing, and uncertainty of revenues and cash flows arising from the Company's contracts with customers on a consolidated basis.

Management and Financial Advice Fees

Asset Management Fees

The Company earns revenue for performing asset management services for retail and institutional clients. The revenue is earned based on a fixed or tiered rate applied, as a percentage, to assets under management. Assets under management vary with market fluctuations and client behavior. The asset management performance obligation is considered a series of distinct services that are substantially the same and are satisfied each day over the contract term. Asset management fees are accrued, invoiced and collected on a monthly or quarterly basis.

The Company's asset management contracts for Open Ended Investment Companies ("OEICs") in the United Kingdom ("U.K.") and Société d'Investissement à Capital Variable ("SICAVs") in Europe include performance obligations for asset management and fund distribution services. The amounts received for these services are reported as Management and financial advice fees. The revenue recognition pattern is the same for both performance obligations as the fund distribution services revenue is variably constrained due to factors outside the Company's control including market volatility and client behavior (such as how long clients hold their investment) and not recognized until assets under management are known.

The Company may also earn performance-based management fees on institutional accounts, hedge funds, collateralized loan obligations ("CLOs"), OEICs, SICAVs and property and other funds based on a percentage of account returns in excess of either a benchmark index or a contractually specified level. This revenue is variable and impacted primarily by the performance of the assets being managed compared to the benchmark index or contractually specified level. The revenue is not recognized until it is probable that a significant reversal will not occur. Performance-based management fees are invoiced on a quarterly or annual basis.

Advisory Fees

The Company earns revenue for performing investment advisory services for certain brokerage customer's discretionary and non-discretionary managed accounts. The revenue is earned based on a contractual fixed rate applied, as a percentage, to the market value

of assets held in the account. The investment advisory performance obligation is considered a series of distinct services that are

Index

AMERIPRISE FINANCIAL, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (Continued)

substantially the same and are satisfied each day over the contract term. Advisory fees are billed on a monthly basis on the prior month end assets.

Financial Planning Fees

The Company earns revenue for providing financial plans to its clients. The revenue earned for each financial plan is either a fixed fee (received monthly, quarterly or annually) or a variable fee (received monthly) based on a contractual fixed rate applied, as a percentage, to the prior month end assets held in a client's investment advisory account. The financial planning fee is based on the complexity of a client's financial and life situation and his or her advisor's experience. The performance obligation is satisfied at the time the financial plan is delivered to the customer. The Company records a contract liability for the unearned revenue when cash is received before the plan is delivered. The financial plan contracts with clients are annual contracts. Amounts recorded as a contract liability are recognized as revenue when the financial plan is delivered, which occurs within the annual contract period.

For fixed fee arrangements, revenue is recognized when the financial plan is delivered. The Company accrues revenue for any amounts that have not been received at the time the financial plan is delivered.

For variable fee arrangements, revenue is recognized for cash that has been received when the financial plan is delivered. The amount received after the plan is delivered is variably constrained due to factors outside the Company's control including market volatility and client behavior. The revenue is recognized when it is probable that a significant reversal will not occur that and is generally each month end as the advisory account balance uncertainty is resolved.

Contract liabilities for financial planning fees, which are included in Other liabilities, were $156 $167 million and $160 million $168 million as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively.

The Company pays sales commissions to advisors when a new financial planning contract is obtained or when an existing contract is renewed. The sales commissions paid to the advisors prior to financial plan delivery are considered costs to obtain a contract with a customer and are initially capitalized. When the performance obligation to deliver the financial plan is satisfied, the commission is recognized as distribution expense. Capitalized costs to obtain these contracts are reported in Other assets and were $126 million $133 million and $129 million $135 million as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively.

Transaction and Other Fees

The Company earns revenue for providing customer support, shareholder and administrative services (including transfer agent services) for affiliated mutual funds and networking, sub-accounting and administrative services for unaffiliated mutual funds. The Company also receives revenue for providing custodial services and account maintenance services on brokerage and retirement accounts that are not included in an advisory relationship. Transfer agent and administrative revenue is earned based on either a fixed rate applied, as a percentage, to assets under management or an annual fixed fee for each fund position. Networking and sub-accounting revenue is earned based on either an annual fixed fee for each account or an annual fixed fee for each fund position. Custodial and account maintenance revenue is generally earned based on a quarterly or annual fixed fee for each account. Each of the customer support and administrative services performance obligations are considered a series of distinct services that are substantially the same and are satisfied each day over the contract term. Transaction and other fees (other than custodial service fees) are invoiced or charged to brokerage accounts on a monthly or quarterly basis. Custodial service fees are invoiced or charged to brokerage accounts on an annual basis. Contract liabilities for custodial service fees, which are included in Other liabilities, were $13 million $39 million and nil as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively.

The Company earns revenue for providing trade execution services to franchise advisors. The trade execution performance obligation is satisfied at the time of each trade and the revenue is primarily earned based on a fixed fee per trade. These fees are invoiced and collected on a semi-monthly basis.

Distribution Fees

Mutual Funds and Insurance and Annuity Products

The Company earns revenue for selling affiliated and unaffiliated mutual funds, fixed and variable annuities and insurance products. The performance obligation is satisfied at the time of each individual sale. A portion of the revenue is based on a fixed rate applied, as a percentage, to amounts invested at the time of sale. The remaining revenue is recognized over the time the client owns the investment or holds the contract and is generally earned based on a fixed rate applied, as a percentage, to the net asset value of the fund, or the value of the insurance policy or annuity contract. The ongoing revenue is not recognized at the time of sale because it is variably constrained due to factors outside the Company's control including market volatility and client behavior (such as how long clients hold their investment, insurance policy or annuity contract). This ongoing revenue may be recognized for many years after the initial sale. The revenue will not be recognized until it is probable that a significant reversal will not occur.

The Company earns revenue for providing unaffiliated partners an opportunity to educate the Company's advisors or to support availability and distribution of their products on the Company's platforms. These payments allow the outside parties to train and support the advisors, explain the features of their products and distribute marketing and educational materials, and support trading and operational systems necessary to enable the Company's client servicing and production distribution efforts. The Company earns

operational systems necessary to enable the Company's client servicing and production distribution efforts. The Company earns revenue for placing and maintaining unaffiliated fund partners and insurance companies' products on the Company's sales platform (subject to the Company's due diligence standards). The revenue is primarily earned based on a fixed fee or a fixed rate applied, as a percentage, to the market value of assets invested. These performance obligations are considered a series of distinct services that are substantially the same and are satisfied each day over the contract term. These fees are invoiced and collected on monthly basis.

Off-Balance Sheet Brokerage Cash

The Company earns revenue for placing clients' deposits in its brokerage sweep program with third-party banks. The amount received from the third-party banks is impacted by short-term interest rates. The performance obligation with the financial institutions that participate in the sweep program is considered a series of distinct services that are substantially the same and are satisfied each day over the contract term. The revenue is earned daily and settled monthly based on a rate applied, as a percentage, to the deposits placed.

Other Products

The Company earns revenue for selling unaffiliated alternative products. The performance obligation is satisfied at the time of each individual sale. A portion of the revenue is based on a fixed rate applied, as a percentage, to amounts invested at the time of sale. The remaining revenue is recognized over the time the client owns the investment and is earned generally based on a fixed rate applied, as a percentage, to the market value of the investment. The ongoing revenue is not recognized at the time of sale because it is variably constrained due to factors outside the Company's control including market volatility and client behavior (such as how long clients hold their investment). The revenue will not be recognized until it is probable that a significant reversal will not occur.

The Company earns revenue from brokerage clients for the execution of requested trades. The performance obligation is satisfied at the time of trade execution and amounts are received on the settlement date. The revenue varies for each trade based on various factors that include the type of investment, dollar amount of the trade and how the trade is executed (online or broker assisted).

Other Revenues

The Company earns revenue from fees charged to franchise advisors for providing various services the advisors need to manage and grow their practices. The primary services include: licensing of intellectual property and software, compliance supervision, insurance coverage, technology services and support, consulting and other services. The services are either provided by the Company or third- party providers. The Company controls the services provided by third parties as it has the right to direct the third parties to perform the services, is primarily responsible for performing the services and sets the prices the advisors are charged. The Company recognizes revenue for the gross amount of the fees received from the advisors. The fees are primarily collected monthly as a reduction of commission payments.

Intellectual property and software licenses, along with compliance supervision, insurance coverage, and technology services and support are primarily earned based on a monthly fixed fee. These services are considered a series of distinct services that are substantially the same and are satisfied each day over the contract term. The consulting and other services performance obligations are satisfied as the services are delivered and revenue is earned based upon the level of service requested.

Contract Costs Asset

The Company has an asset of $27 $23 million and $33 $25 million as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively, related to the transition of investment advisory services under an arrangement with BMO Financial Group for clients that elected to transfer U.S. retail and institutional assets to the Company.

Receivables

Receivables for revenue from contracts with customers are recognized when the performance obligation is satisfied and the Company has an unconditional right to the revenue. Receivables related to revenues from contracts with customers were $504 million $552 million and $537 million as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively.

5. 4. Variable Interest Entities

The Company provides asset management services to investment entities which are considered to be VIEs, such as CLOs, hedge funds and other private funds, property funds and certain non-U.S. series funds (such as OEICs and SICAVs) (collectively, “investment entities”), which are sponsored by the Company. In addition, the Company invests in structured investments other than CLOs and certain affordable housing partnerships which are considered VIEs. The Company consolidates certain investment entities (collectively, “consolidated investment entities”) if the Company is deemed to be the primary beneficiary. The Company has no obligation to provide financial or other support to the non-consolidated VIEs beyond its initial investment and existing future funding commitments, and the Company has not provided any additional support to these entities. The Company has unfunded commitments related to consolidated CLOs of $24 million and $30 million as of September 30, 2023 and December 31, 2022, respectively.

CLOs

CLOs are asset backed financing entities collateralized by a pool of assets, primarily syndicated loans and, to a lesser extent, high-yield bonds. Multiple tranches of debt securities are issued by a CLO, offering investors various maturity and credit risk

characteristics. The debt securities issued by the CLOs are non-recourse to the Company. The CLO’s debt holders have recourse only to the assets of the CLO. The assets of the CLOs cannot be used by the Company. Scheduled debt payments are based on the performance of the CLO’s collateral pool. The Company earns management fees from the CLOs based on the value of the CLO’s collateral pool and, in certain instances, may also receive incentive fees. The fee arrangement is at market and commensurate with the level of effort required to provide those services. The Company has invested in a portion of the unrated, junior subordinated notes and highly rated senior notes of certain CLOs. The Company consolidates certain CLOs where it is the primary beneficiary and has the power to direct the activities that most significantly impact the economic performance of the CLO.

The Company’s maximum exposure to loss with respect to non-consolidated CLOs is limited to its amortized cost, which was $1 million as of both September 30, 2023 March 31, 2024 and December 31, 2022. The Company classifies these investments as Available-for-Sale securities. See Note 6 for additional information on these investments.

Property Funds

The Company provides investment advice and related services to property funds, some of which are considered VIEs. For investment management services, the Company generally earns management fees based on the market value of assets under management, and in certain instances may also receive performance-based fees. The fee arrangement is at market and commensurate with the level of effort required to provide those services. The Company does not have a significant economic interest and is not required to consolidate any of the property funds. The Company’s maximum exposure to loss with respect to its investment in these entities is limited to its carrying value. The carrying value of the Company’s investment in property funds is reflected in other investments and was $63 million and $57 million as of September 30, 2023 and December 31, 2022, respectively.

Hedge Funds and other Private Funds

The Company does not consolidate hedge funds and other private funds which are sponsored by the Company and considered VIEs. For investment management services, the Company earns management fees based on the market value of assets under management, and in certain instances may also receive performance-based fees. The fee arrangement is at market and commensurate with the level of effort required to provide those services and the Company does not have a significant economic interest in any fund. The Company’s maximum exposure to loss with respect to its investment in these entities is limited to its carrying value. The carrying value of the Company’s investment in these entities is reflected in other investments and was nil as of both September 30, 2023 and December 31, 2022 December 31, 2023.

Non-U.S. Series Funds

The Company manages non-U.S. series funds, which are considered VIEs. For investment management services, the Company earns management fees based on the market value of assets under management, and in certain instances may also receive performance-based fees. The fee arrangement is at market and commensurate with the level of effort required to provide those services. The Company does not consolidate these funds and its maximum exposure to loss is limited to its carrying value. The carrying value of the Company’s investment in these funds is reflected in other investments and was $30 million and $25 million as of September 30, 2023 and December 31, 2022, respectively.

Affordable Housing Partnerships and Other Real Estate Partnerships

The Company is a limited partner in affordable housing partnerships that qualify for government-sponsored low income housing tax credit programs and partnerships that invest in multi-family residential properties that were originally developed with an affordable housing component. The Company has determined it is not the primary beneficiary and therefore does not consolidate these partnerships.

A majority of the limited partnerships are VIEs. The Company's maximum exposure to loss as a result of its investment in the VIEs is limited to the carrying value. The carrying value is reflected in other investments and was $77 million and $92 million as of September 30, 2023 and December 31, 2022, respectively. The Company had a liability of $6 million and $7 million as of September 30, 2023 and December 31, 2022, respectively, related to original purchase commitments not yet remitted to the VIEs. The Company has not provided any additional support and is not contractually obligated to provide additional support to the VIEs beyond the funding commitments.

Structured Investments

The Company invests in structured investments which are considered VIEs for which it is not the sponsor. These structured investments typically invest in fixed income instruments and are managed by third parties and include asset backed securities and commercial and residential mortgage backed securities. The Company classifies these investments as Available-for-Sale securities.

The Company has determined that it is not the primary beneficiary of these structures due to the size of the Company's investment in the entities and position in the capital structure of these entities.

Additionally, the Company invests in CLOs for which it is the sponsor. CLOs are asset backed financing entities collateralized by a pool of assets, primarily syndicated loans and, to a lesser extent, high-yield bonds. Multiple tranches of debt securities are issued by a CLO, offering investors various maturity and credit risk characteristics. The debt securities issued by the CLOs are non-recourse to the Company. The CLO's debt holders have recourse only to the assets of the CLO. The assets of the CLOs cannot be used by the Company. Scheduled debt payments are based on the performance of the CLO's collateral pool. The Company earns management fees from the CLOs based on the value of the CLO's collateral pool and, in certain instances, may also receive incentive fees. The fee arrangement is at market and commensurate with the level of effort required to provide those services. The Company has invested in a portion of the unrated, junior subordinated notes and highly rated senior notes of certain CLOs. The Company consolidates certain CLOs where it is the primary beneficiary and has the power to direct the activities that most significantly impact the economic performance of the CLO.

The Company's maximum exposure to loss as a result of its investment in these with respect to structured investments and non-consolidated CLOs is limited to its amortized cost. The Company classifies these investments as Available-for-Sale securities. See Note 6 5 for additional information on these structured investments.

Other Non-Consolidated VIEs

The Company's investments in other non-consolidated VIEs are recorded in other investments. The Company's maximum exposure to loss with respect to its investments in these non-consolidated VIEs is limited to its carrying value. The carrying value of other non-consolidated VIEs was $180 million and $168 million as of March 31, 2024 and December 31, 2023, respectively. The Company's liability related to original purchase commitments not yet remitted to the VIEs was not material as of both March 31, 2024 and December 31, 2023, respectively. The Company has not provided any additional support to the VIEs beyond the funding commitments.

AMERIPRISE FINANCIAL, INC. Property Funds, Non-U.S. Series Funds, Hedge Funds and other Private Funds

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (Continued) The Company provides investment advice and other related services to property funds, non-U.S. series funds, hedge funds and other private funds, some of which are considered VIEs. For investment management services, the Company generally earns management fees based on the market value of assets under management, and in certain instances may also receive performance-based fees. The fee arrangements are at market and commensurate with the level of effort required to provide those services. The Company does not have a significant economic interest and is not required to consolidate any of these funds.

Affordable Housing Partnerships and Other Real Estate Partnerships

The Company is a limited partner in affordable housing partnerships that qualify for government-sponsored low income housing tax credit programs and partnerships that invest in multi-family residential properties that were originally developed with an affordable housing component. The Company has determined it is not the primary beneficiary and therefore does not consolidate these partnerships. A majority of the limited partnerships are VIEs.

Fair Value of Assets and Liabilities

The Company categorizes its fair value measurements according to a three-level hierarchy. See Note 13 12 for the definition of the three levels of the fair value hierarchy.

The following tables present the balances of assets and liabilities held by consolidated investment entities measured at fair value on a recurring basis:

		September 30, 2023				March 31, 2024			
		Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
		(in millions)							
Assets	**Assets**								
Investments:	Investments:								
Investments:									
Investments:									
Corporate debt securities									
Corporate debt securities									
Corporate debt securities	Corporate debt securities	$—	$ 39	$—	$ 39				

Common stocks	Common stocks	—	6	—	6
Syndicated loans	Syndicated loans	—	2,067	54	2,121
Syndicated loans					
Syndicated loans					
Total investments	Total investments	—	2,112	54	2,166
Receivables	Receivables	—	29	—	29
Other assets		—	—	—	—
Total assets at fair value					
Total assets at fair value					
Total assets at fair value	Total assets at fair value	$—	$2,141	$54	$2,195
Liabilities	**Liabilities**				
Liabilities					
Liabilities					
Debt (1)					
Debt (1)					
Debt (1)	Debt (1)	$—	$2,222	$—	$2,222
Other liabilities	Other liabilities	—	37	—	37
Total liabilities at fair value	Total liabilities at fair value	$—	$2,259	$—	$2,259

		December 31, 2022				December 31, 2023			
		Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
		(in millions)							
Assets	**Assets**								
Investments:	Investments:								
Investments:									
Investments:									
Corporate debt securities									
Corporate debt securities									
Corporate debt securities	Corporate debt securities	$—	$ 35	$ —	$ 35				
Common stocks	Common stocks	—	3	—	3				
Syndicated loans									
Syndicated loans									
Syndicated loans	Syndicated loans	—	2,191	125	2,316				
Total investments	Total investments	—	2,229	125	2,354				
Receivables	Receivables	—	20	—	20				
Other assets	Other assets	—	1	1	2				
Total assets at fair value	Total assets at fair value	$—	$2,250	$126	$2,376				
Liabilities	**Liabilities**								
Liabilities									
Liabilities									
Debt (1)									
Debt (1)									
Debt (1)	Debt (1)	$—	$2,363	$ —	$2,363				

Other liabilities	Other liabilities	—	119	—	119
Total liabilities at fair value	Total liabilities at fair value	$—	$2,482	$ —	$2,482

(1) The carrying value of the CLOs' debt is set equal to the fair value of the CLOs' assets. The estimated fair value of the CLOs' debt was $2.2 billion and $2.4 billion $2.1 billion as of September 30, 2023 both March 31, 2024 and December 31, 2022, respectively. December 31, 2023.

[Index](#)

The following tables provide a summary of changes in Level 3 assets held by consolidated investment entities measured at fair value on a recurring basis:

	Syndicated Loans
	(in millions)
Balance at July 1, 2023	$ 67
Purchases	4
Settlements	(1)
Transfers into Level 3	22
Transfers out of Level 3	(38)
Balance at September 30, 2023	$ 54
Changes in unrealized gains (losses) included in net income relating to assets held at September 30, 2023	$ 2

	Common Stocks	Syndicated Loans
	(in millions)	
Balance at July 1, 2022	$ 2	$ 95
Total gains (losses) included in:		
Net income	—	(4) (1)
Purchases	—	42
Sales	—	(3)
Settlements	—	(1)
Transfers into Level 3	—	61
Transfers out of Level 3	(2)	(25)
Balance at September 30, 2022	$ —	$ 165
Changes in unrealized gains (losses) included in net income relating to assets held at September 30, 2022	$ —	$ (5) (1)

	Common Stocks
	Common Stocks
	(in millions)
	(in millions)
Balance at January 1, 2024	
Total gains (losses) included in:	
Total gains (losses) included in:	
Total gains (losses) included in:	
Net income	
Net income	
Net income	
Purchases	
Purchases	
Purchases	

	Syndicated Loans	Other Assets
	(in millions)	

	$	125	$	1
Total gains (losses) included in:				
Net income		(3) (1)		—
Purchases		31		—
Sales		(10)		—
Settlements		(16)		—
Transfers into Level 3				
Transfers into Level 3	Transfers into Level 3	82		—
Transfers out of Level 3	Transfers out of Level 3	(155)		(1)
Transfers out of Level 3				
Transfers out of Level 3				
Balance at September 30, 2023	$	54	$	—
Balance at March 31, 2024				
Changes in unrealized gains (losses) included in net income relating to assets held at September 30, 2023	$	2 (1)	$	—
Balance at March 31, 2024				
Balance at March 31, 2024				
Changes in unrealized gains (losses) included in net income relating to assets held at March 31, 2024				
Changes in unrealized gains (losses) included in net income relating to assets held at March 31, 2024				
Changes in unrealized gains (losses) included in net income relating to assets held at March 31, 2024				

[Index](#)

		Common Stocks	Syndicated Loans	Other Assets
		(in millions)		
Balance at January 1, 2022		$ —	$ 64	$ 3

	Syndicated Loans	Other Assets
	(in millions)	
Balance at January 1, 2023		

		Common Stocks	Syndicated Loans	Other Assets
Total gains (losses) included in:	Total gains (losses) included in:			
Net income				
Net income				
Net income	Net income	—	(7) (1)	—
Purchases	Purchases	—	64	—
Sales	Sales	—	(4)	—
Settlements	Settlements	—	(8)	—
Transfers into Level 3	Transfers into Level 3	2	173	—
Transfers out of Level 3	Transfers out of Level 3	(2)	(117)	(3)

Balance at September 30, 2022	$	—	$	165	$	—
Balance at March 31, 2023						
Balance at March 31, 2023						
Balance at March 31, 2023						
Changes in unrealized gains (losses) included in net income relating to assets held at September 30, 2022	$	—	$	(5) (1)	$	—
Changes in unrealized gains (losses) included in net income relating to assets held at March 31, 2023						
Changes in unrealized gains (losses) included in net income relating to assets held at March 31, 2023						
Changes in unrealized gains (losses) included in net income relating to assets held at March 31, 2023						

(1) Included in Net investment income.

Securities and loans transferred from Level 3 primarily represent assets with fair values that are now obtained from a third-party pricing service with observable inputs or priced in active markets. Securities and loans transferred to Level 3 represent assets with fair values that are now based on a single non-binding broker quote.

All Level 3 measurements as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023 were obtained from non-binding broker quotes where unobservable inputs utilized in the fair value calculation are not reasonably available to the Company.

Determination of Fair Value

Assets

Investments

The fair value of syndicated loans obtained from third-party pricing services using a market approach with observable inputs is classified as Level 2. The fair value of syndicated loans obtained from third-party pricing services with a single non-binding broker quote as the underlying valuation source is classified as Level 3. The underlying inputs used in non-binding broker quotes are not readily available to the Company. See Note 13 12 for a description of the Company's determination of the fair value of corporate debt securities, common stocks and other investments.

Receivables

For receivables of the consolidated CLOs, the carrying value approximates fair value as the nature of these assets has historically been short-term and the receivables have been collectible. The fair value of these receivables is classified as Level 2.

Liabilities

Debt

The fair value of the CLOs' assets, typically syndicated bank loans, is more observable than the fair value of the CLOs' debt tranches for which market activity is limited and less transparent. As a result, the fair value of the CLOs' debt is set equal to the fair value of the CLOs' assets and is classified as Level 2.

Other Liabilities

Other liabilities consist primarily of securities purchased but not yet settled held by consolidated CLOs. The carrying value approximates fair value as the nature of these liabilities has historically been short-term. The fair value of these liabilities is classified as Level 2. Other liabilities also include accrued interest on CLO debt.

Fair Value Option

The Company has elected the fair value option for the financial assets and liabilities of the consolidated CLOs. Management believes that the use of the fair value option better matches the changes in fair value of assets and liabilities related to the CLOs.

The following table presents the fair value and unpaid principal balance of loans and debt for which the fair value option has been elected:

	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
	(in millions)			

Syndicated loans	**Syndicated loans**		
Unpaid principal balance	Unpaid principal balance	$ 2,260	$ 2,525
Unpaid principal balance			
Unpaid principal balance			
Excess unpaid principal over fair value	Excess unpaid principal over fair value	(139)	(209)
Fair value	Fair value	$ 2,121	$ 2,316
Fair value of loans more than 90 days past due			
Fair value of loans more than 90 days past due			
Fair value of loans more than 90 days past due	Fair value of loans more than 90 days past due	$ —	$ —
Fair value of loans in nonaccrual status	Fair value of loans in nonaccrual status	13	23
Difference between fair value and unpaid principal of loans more than 90 days past due, loans in nonaccrual status or both	Difference between fair value and unpaid principal of loans more than 90 days past due, loans in nonaccrual status or both	47	48
Debt	**Debt**		
Debt			
Debt			
Unpaid principal balance			
Unpaid principal balance			
Unpaid principal balance	Unpaid principal balance	$ 2,440	$ 2,636
Excess unpaid principal over fair value	Excess unpaid principal over fair value	(218)	(273)
Carrying value (1)	Carrying value (1)	$ 2,222	$ 2,363

(1) The carrying value of the CLOs' debt is set equal to the fair value of the CLOs' assets. The estimated fair value of the CLOs' debt was $2.2 billion and $2.4 billion $2.1 billion as of September 30, 2023 both March 31, 2024 and December 31, 2022, respectively. December 31, 2023.

Interest income from syndicated loans, bonds and structured investments is recorded based on contractual rates in Net investment income. Gains and losses related to changes in the fair value of investments and gains and losses on sales of investments are also recorded in Net investment income. Interest expense on debt is recorded in Interest and debt expense with gains and losses related to changes in the fair value of debt recorded in Net investment income.

Total net gains (losses) recognized in Net investment income related to the changes in fair value of investments the Company owns in the consolidated CLOs where it has elected the fair value option and collateralized financing entity accounting were immaterial for both the three and nine months ended September 30, 2023 March 31, 2024 and 2022. 2023.

Debt of the consolidated investment entities and the stated interest rates were as follows:

	Carrying Value		Weighted Average Interest Rate	
	September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022
	(in millions)			
Debt of consolidated CLOs due 2028-2034	$ 2,222	$ 2,363	6.6 %	5.3 %

	Carrying Value		Weighted Average Interest Rate	
	March 31, 2024	December 31, 2023	March 31, 2024	December 31, 2023
	(in millions)			
Debt of consolidated CLOs due 2028 -2034	$ 2,119	$ 2,155	6.6 %	6.6 %

The debt of the consolidated CLOs has both fixed and floating interest rates, which range from nil to 14.8%. The interest rates on the debt of CLOs are weighted average rates based on the outstanding principal and contractual interest rates.

6. 5. Investments

The following is a summary of Ameriprise Financial investments:

	September 30, 2023	December 31, 2022
	(in millions)	
Available-for-Sale securities, at fair value	$ 48,193	$ 40,811
Mortgage loans (allowance for credit losses: 2023, $14; 2022, $12)	2,064	1,987
Policy loans	890	847
Other investments (allowance for credit losses: 2023, $6; 2022, $5)	848	879

	March 31, 2024	December 31, 2023
	(in millions)	
Available-for-Sale securities, at fair value		
Mortgage loans (allowance for credit losses: 2024, $14; 2023, $14)		
Mortgage loans (allowance for credit losses: 2024, $14; 2023, $14)		
Mortgage loans (allowance for credit losses: 2024, $14; 2023, $14)		
Policy loans		

Other investments (allowance for credit losses: 2024, $6; 2023, $6)			
Other investments (allowance for credit losses: 2024, $6; 2023, $6)			
Other investments (allowance for credit losses: 2024, $6; 2023, $6)			
Total	Total	$51,995	$44,524

Other investments primarily reflect the Company's interests in affordable housing partnerships, trading securities, equity securities, seed money investments in proprietary funds, syndicated loans, credit card receivables and certificates of deposit with original or remaining maturities at the time of purchase of more than 90 days.

[Index](#)

The following is a summary of Net investment income:

	Three Months Ended March 31, Three Months Ended March 31, Three Months Ended March 31,		
	2024	2024	2023
	(in millions)		(in millions)
Investment income on fixed maturities			
Net realized gains (losses)			

		Three Months Ended September 30,		Nine Months Ended September 30,	
		2023	2022	2023	2022
		(in millions)			
Investment income on fixed maturities		$693	$363	$1,909	$836
Net realized gains (losses)		(37)	(87)	(27)	(82)
Affordable housing partnerships		(5)	(11)	(8)	(37)
Consolidated investment entities					
Consolidated investment entities	Consolidated investment entities	46	33	133	70
Other		112	51	311	110
Consolidated investment entities					
Other (1)					
Total	Total	$809	$349	$2,318	$897

(1) Prior period amount associated with affordable housing partnerships has been reclassified to Other to conform to current year presentation.

Available-for-Sale securities distributed by type were as follows:

		September 30, 2023										
		March 31, 2024										March 31, 2024
Description of Securities	Description of Securities	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Allowance for Credit Losses	Fair Value	Description of Securities	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Allowance for Credit Losses	Fair Value
		(in millions)							(in millions)			
Corporate debt securities	Corporate debt securities	$12,206	$ 104	$ (1,023)	$ —	$11,287						
Residential mortgage backed securities	Residential mortgage backed securities	21,090	9	(1,810)	—	19,289						
Commercial mortgage backed securities	Commercial mortgage backed securities	6,489	4	(452)	—	6,041						
Asset backed securities	Asset backed securities	8,377	13	(91)	—	8,299						
State and municipal obligations	State and municipal obligations	728	31	(29)	(1)	729						
U.S. government and agency obligations	U.S. government and agency obligations	2,468	—	(2)	—	2,466						
Foreign government bonds and obligations	Foreign government bonds and obligations	19	—	(2)	—	17						
Other securities	Other securities	66	—	(1)	—	65						
Other securities												
Other securities												
Total	Total	$51,443	$ 161	$ (3,410)	$ (1)	$48,193						

		December 31, 2022						December 31, 2023				
Description of Securities	Description of Securities	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Allowance for Credit Losses	Fair Value	Description of Securities	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Allowance for Credit Losses	Fair Value
		(in millions)										
		(in millions)										(in millions)
Corporate debt securities	Corporate debt securities	$10,361	$ 180	$ (823)	$ (20)	$ 9,698						
Residential mortgage backed securities	Residential mortgage backed securities	17,056	37	(1,390)	—	15,703						
Commercial mortgage backed securities	Commercial mortgage backed securities	6,648	3	(439)	—	6,212						

Asset backed securities	Asset backed securities	6,408	14	(158)	—	6,264
State and municipal obligations	State and municipal obligations	773	53	(27)	(2)	797
U.S. government and agency obligations	U.S. government and agency obligations	2,079	1	(1)	—	2,079
Foreign government bonds and obligations	Foreign government bonds and obligations	43	—	(2)	—	41
Other securities	Other securities	16	1	—	—	17
Total	Total	$43,384	$ 289	$ (2,840)	$ (22)	$40,811

As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, accrued interest of $326 million $330 million and $237 million $319 million, respectively, is excluded from the amortized cost basis of Available-for-Sale securities in the tables above and is recorded in Receivables.

As of September 30, 2023 both March 31, 2024 and December 31, 2022 December 31, 2023, fixed maturity securities comprised approximately 93% and 92%, respectively, of Ameriprise Financial investments. Rating agency designations are based on the availability of ratings from Nationally Recognized Statistical Rating Organizations ("NRSROs"), including Moody's Investors Service ("Moody's"), Standard & Poor's Ratings Services ("S&P") and Fitch Ratings Ltd. ("Fitch"). The Company uses the median of available ratings from Moody's, S&P and Fitch, or if fewer than three ratings are available, the lower rating is used. When ratings from Moody's, S&P and Fitch are unavailable, the Company may utilize ratings from other NRSROs or rate the securities internally. As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, the Company's internal analysts rated $278 million $420 million and $270 million $282 million, respectively, of securities using criteria similar to those used by NRSROs.

[Index](#)

AMERIPRISE FINANCIAL, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (Continued)

A summary of fixed maturity securities by rating was as follows:

		September 30, 2023			December 31, 2022				March 31, 2024			December 31, 2023		
Ratings	Ratings	Amortized Cost	Fair Value	Percent of Total Fair Value	Amortized Cost	Fair Value	Percent of Total Fair Value	Ratings	Amortized Cost	Fair Value	Percent of Total Fair Value	Amortized Cost	Fair Value	Percent of Total Fair Value
		(in millions, except percentages)							(in millions, except percentages)					
AAA	AAA	$24,795	$23,421	49 %	$30,900	$28,980	71 %	AAA	$26,371	$ $25,540	49 49 %	$25,235	$ $24,342	47 47 %
AA	AA	13,433	12,510	26	1,219	1,249	3							
A	A	2,738	2,655	5	2,080	2,097	5							
BBB	BBB	10,142	9,291	19	8,524	7,890	19							
Below investment grade (1)	Below investment grade (1)	335	316	1	661	595	2							
Total fixed maturities	Total fixed maturities	$51,443	$48,193	100 %	$43,384	$40,811	100 %	Total fixed maturities	$53,968	$ $52,246	100 100 %	$53,048	$ $51,562	100 100 %

(1) The amortized cost and fair value of below investment grade securities includes interest in non-consolidated CLOs managed by the Company of $1 million as of both September 30, 2023 March 31, 2024 and December 31, 2022. The fair value of below investment grade securities includes interest in non-consolidated CLOs managed by the Company of $1 million as of both September 30, 2023 and December 31, 2022 December 31, 2023. These securities are not rated but are included in below investment grade due to their risk characteristics.

As of September 30, 2023 March 31, 2024 and December 31, 2023, approximately 82% 85% and 83% of securities rated AA were GNMA, FNMA and FHLMC mortgage backed securities. These issuers were downgraded in the third quarter of 2023 from AAA to AA due to the downgrade of the U.S. Government long-term credit rating. As of December 31, 2022, approximately 30% of securities, rated AAA were GNMA, FNMA and FHLMC mortgage backed securities. respectively. No holdings of any issuer were greater than 10% of the Company's total equity as of both September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023.

The following tables summarize the fair value and gross unrealized losses on Available-for-Sale securities, aggregated by major investment type and the length of time that individual securities have been in a continuous unrealized loss position for which no allowance for credit losses has been recorded:

Description of Securities	Description of Securities	September 30, 2023	Description of	March 31, 2024

		Less than 12 Months			12 Months or More			Total		
		Number of Securities	Fair Value	Unrealized Losses	Number of Securities	Fair Value	Unrealized Losses	Number of Securities	Fair Value	Unrealized Losses
		(in millions, except number of securities)								
Corporate debt securities	Corporate debt securities	293	$ 4,854	$ (204)	396	$ 5,053	$ (819)	689	$ 9,907	$(1,023)
Residential mortgage backed securities	Residential mortgage backed securities	230	7,386	(193)	738	10,569	(1,617)	968	17,955	(1,810)
Commercial mortgage backed securities	Commercial mortgage backed securities	43	932	(18)	282	4,099	(434)	325	5,031	(452)
Asset backed securities	Asset backed securities	74	1,770	(9)	122	3,273	(82)	196	5,043	(91)
State and municipal obligations	State and municipal obligations	12	77	(3)	59	140	(26)	71	217	(29)
U.S. government and agency obligations	U.S. government and agency obligations	17	1,148	(2)	1	—	—	18	1,148	(2)
Foreign government bonds and obligations	Foreign government bonds and obligations	1	5	—	3	12	(2)	4	17	(2)
Other securities	Other securities	5	65	(1)	—	—	—	5	65	(1)
Other securities										
Other securities										
Total	Total	675	$16,237	$ (430)	1,601	$23,146	$(2,980)	2,276	$39,383	$(3,410)

Securities	Less than 12 Months		12 Months or More			Total		
	Number of Securities	Fair Value	Unrealized Losses	Number of Securities	Fair Value	Unrealized Losses	Number of Securities	F Va
	(in millions, except number of securities)							

[Index](#)

AMERIPRISE FINANCIAL, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (Continued)

		December 31, 2022								
		Less than 12 Months			12 Months or More			Total		
Description of Securities	Description of Securities	Number of Securities	Fair Value	Unrealized Losses	Number of Securities	Fair Value	Unrealized Losses	Number of Securities	Fair Value	Unrealized Losses
		(in millions, except number of securities)								
		(in millions, except number of securities)								
Corporate debt securities	Corporate debt securities	457	$ 5,782	$ (458)	108	$1,575	$ (365)	565	$ 7,357	$ (823)

	December 31, 2023							
	Less than 12 Months		12 Months or More			Total		
Description of Securities	Number of Securities	Fair Value	Unrealized Losses	Number of Securities	Fair Value	Unrealized Losses	Number of Securities	Fai Valu
								(i exc of

Residential mortgage backed securities	Residential mortgage backed securities	589	9,407	(577)	244	4,076	(813)	833	13,483	(1,390)
Commercial mortgage backed securities	Commercial mortgage backed securities	249	3,857	(220)	101	1,802	(219)	350	5,659	(439)
Asset backed securities	Asset backed securities	145	4,413	(86)	31	977	(72)	176	5,390	(158)
State and municipal obligations	State and municipal obligations	48	134	(16)	27	60	(11)	75	194	(27)
U.S. government and agency obligations	U.S. government and agency obligations	13	566	(1)	—	—	—	13	566	(1)
Foreign government bonds and obligations	Foreign government bonds and obligations	11	37	(2)	1	1	—	12	38	(2)
Total	Total	1,512	$24,196	$(1,360)	512	$8,491	$(1,480)	2,024	$32,687	$(2,840)
Total										
Total										

As part of the Company's ongoing monitoring process, management determined that the increase in total gross unrealized losses on its Available-for-Sale securities for which an allowance for credit losses has not been recognized during the nine three months ended September 30, 2023 March 31, 2024 is primarily attributable to the impact of higher interest rates. As of September 30, 2023 March 31, 2024, the Company did not recognize these unrealized losses in earnings because it was determined that such losses were due to non-credit factors. The Company does not intend to sell these securities and does not believe that it is more likely than not that the Company will be required to sell these securities before the anticipated recovery of the remaining amortized cost basis. As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, approximately 96% 97% and 95% 96%, respectively, of the total of Available-for-Sale securities with gross unrealized losses were considered investment grade.

The following table presents rollforwards of the allowance for credit losses on Available-for-Sale securities:

	Corporate Debt Securities	State and Municipal Obligations	Total
		(in millions)	
Balance at July 1, 2023	$ 7	$ 2	$ 9
Reductions for securities sold during the period (realized)	(7)	(1)	(8)
Balance at September 30, 2023	$ —	$ 1	$ 1
Balance at July 1, 2022	$ —	$ 1	$ 1
Additions for which credit losses were not previously recorded	20	—	20
Additional increases (decreases) on securities that had an allowance recorded in a previous period	—	1	1
Balance at September 30, 2022	$ 20	$ 2	$ 22
Balance at January 1, 2023	$ 20	$ 2	$ 22
Reductions for securities sold during the period (realized)	(20)	(1)	(21)
Balance at September 30, 2023	$ —	$ 1	$ 1
Balance at January 1, 2022	$ —	$ 1	$ 1
Additions for which credit losses were not previously recorded	20	—	20
Additional increases (decreases) on securities that had an allowance recorded in a previous period	—	1	1
Balance at September 30, 2022	$ 20	$ 2	$ 22

Index

	Corporate Debt Securities	State and Municipal Obligations	Total
		(in millions)	
Balance at January 1, 2024	$ 1	$ 1	$ 2
Additional increases (decreases) on securities that had an allowance recorded in a previous period	—	—	—
Balance at March 31, 2024	$ 1	$ 1	$ 2
Balance at January 1, 2023	$ 20	$ 2	$ 22
Additional increases (decreases) on securities that had an allowance recorded in a previous period	3	—	3
Balance at March 31, 2023	$ 23	$ 2	$ 25

Net realized gains and losses on Available-for-Sale securities, determined using the specific identification method, recognized in Net investment income were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
		(in millions)		
Gross realized investment gains	$ —	$ 2	$ 10	$ 24
Gross realized investment losses	(46)	(6)	(58)	(17)
Credit reversals (losses)	8	(21)	21	(21)
Other impairments	—	(61)	(2)	(67)
Total	$ (38)	$ (86)	$ (29)	$ (81)

	Three Months Ended March 31,	
	2024 (1)	2023
	(in millions)	
Gross realized investment gains	$ —	$ 10
Gross realized investment losses	—	(2)
Credit reversals (losses)	—	(3)
Other impairments	—	(2)
Total	$ —	$ 3

Previously recorded allowance for(1) No realized gains or losses on Available-for-Sale securities, including credit losses was reversed during and other impairments, exceeded $1 million for the three and nine months ended September 30, 2023 primarily due to the sale of a corporate debt security in the communications industry. March 31, 2024.

Index

AMERIPRISE FINANCIAL, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (Continued)

Credit losses for the three and nine months ended September 30, 2022 March 31, 2023 primarily related to recording an allowance for credit losses on a corporate debt security in the communications industry. Other impairments for the nine three months ended September 30, 2023 and three and nine months ended September 30, 2022 March 31, 2023 related to Available-for-Sale securities which the Company intended to sell.

See Note 16 15 for rollforwards a rollforward of net unrealized investment gains (losses) included in AOCI. accumulated other comprehensive income (loss) (“AOCI”).

Available-for-Sale securities by contractual maturity as of September 30, 2023 March 31, 2024 were as follows:

	Amortized Cost	Fair Value
	(in millions)	
Due within one year	$ 3,654	$ 3,638
Due after one year through five years	2,825	2,721

	Amortized Cost	Fair Value
	(in millions)	
Due within one year	$ 4,561	$ 4,551
Due after one year through five years	2,468	2,412

Due after five years through 10 years	Due after five years through 10 years	3,969	3,440	Due after five years through 10 years	4,611	4,289
Due after 10 years	Due after 10 years	5,039	4,765	Due after 10 years	5,254	5,373
		15,487	14,564		16,894	16,625
Residential mortgage backed securities	Residential mortgage backed securities	21,090	19,289	Residential mortgage backed securities	22,585	21,442
Commercial mortgage backed securities	Commercial mortgage backed securities	6,489	6,041	Commercial mortgage backed securities	6,312	6,023
Asset backed securities	Asset backed securities	8,377	8,299	Asset backed securities	8,177	8,156
Total	Total	$51,443	$48,193	Total	$ 53,968	$ 52,246

Actual maturities may differ from contractual maturities because issuers may have the right to call or prepay obligations. Residential mortgage backed securities, commercial mortgage backed securities and asset backed securities are not due at a single maturity date. As such, these securities were not included in the maturities distribution.

7. 6. Financing Receivables

Financing receivables are comprised of commercial loans, consumer loans and deposit receivables.

Allowance for Credit Losses

The following tables present a rollforward of the allowance for credit losses:

	Commercial Loans	Consumer Loans	Total	Commercial Loans	Consumer Loans	Total
	(in millions)					
Balance at January 1, 2024						
Balance at January 1, 2024						
Balance at January 1, 2024						
Provisions						
Charge-offs						
Balance at March 31, 2024						
Balance at March 31, 2024						
Balance at March 31, 2024						
Balance at January 1, 2023						
Balance at January 1, 2023						
Balance at January 1, 2023 / Balance at January 1, 2023	$ 54	$ 5	$59			
Provisions / Provisions	4	4	8			
Charge-offs / Charge-offs	(2)	(1)	(3)			
Balance at September 30, 2023	$ 56	$ 8	$64			

Balance at March 31, 2023			
Balance at March 31, 2023			
Balance at January 1, 2022	$ 47	$ 3	$50
Provisions	6	2	8
Charge-offs	—	(1)	(1)
Balance at September 30, 2022	$ 53	$ 4	$57
Balance at March 31, 2023			

As of September 30, 2023 both March 31, 2024 and December 31, 2022 December 31, 2023, accrued interest on commercial loans was $19 million and $17 million, respectively, and is recorded in Receivables and excluded from the amortized cost basis of commercial loans.

Purchases and Sales

During the three months ended September 30, 2023 March 31, 2024 and 2022, 2023, the Company purchased $20 million nil and nil, respectively, of syndicated loans, and sold$1 millionand nil, respectively, of syndicated loans. During the nine months ended September 30, 2023 and 2022, the Company purchased $21 million and $57 million, respectively, of syndicated loans, and sold $4 million nil and $1 million, respectively, of syndicated loans.

During the three months ended September 30, 2023 March 31, 2024 and 2022, 2023, the Company purchased $49 million $36 million and $11 million, respectively, of residential mortgage loans. During the nine months ended September 30, 2023 and 2022, the Company purchased $144 million and $34 $43 million, respectively, of residential mortgage loans. The allowance for credit losses for residential mortgage loans was not material as of both September 30, 2023 and December 31, 2022.

The Company has not acquired any loans with deteriorated credit quality as of the acquisition date.

Credit Quality Information

Nonperforming loans were $12 million and $11 million as of September 30, 2023 both March 31, 2024 and December 31, 2022, respectively. December 31, 2023. All other loans were considered to be performing.

Commercial Loans

Commercial Mortgage Loans

The Company reviews the credit worthiness of the borrower and the performance of the underlying properties in order to determine the risk of loss on commercial mortgage loans. Loan-to-value ratio is the primary credit quality indicator included in this review.

Based on this review, the commercial mortgage loans are assigned an internal risk rating, which management updates when credit risk changes. Commercial mortgage loans which management has assigned its highest risk rating were less than 1% of total commercial mortgage loans as of both September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023. Loans with the highest risk rating represent distressed loans which the Company has identified as impaired or expects to become delinquent or enter into foreclosure within the next six months. There were no commercial mortgage loans past due as of both September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023.

The tables below present the amortized cost basis of commercial mortgage loans by the year of origination and loan-to-value ratio:

		September 30, 2023						
		March 31, 2024						
Loan-to-Value Ratio	Loan-to-Value Ratio	2023	2022	2021	2020	2019	Prior	Total
		(in millions)						
> 100%	> 100%	$—	$ —	$ —	$ —	$ 2	$ 25	$ 27
80% - 100%	80% - 100%	—	5	—	2	11	50	68
60% - 80%	60% - 80%	19	27	6	14	40	117	223
40% - 60%	40% - 60%	7	47	134	53	70	372	683

	March 31, 2024						
Loan-to-Value Ratio	2024	2023	2022	2021	2020	Prior	Total
	(in millions)						

< 40%	< 40%	9	32	50	41	81	609	822
Total	Total	$35	$111	$190	$110	$204	$1,173	$1,823

	December 31, 2022							
	December 31, 2023							
Loan-to-Value Ratio	Loan-to-Value Ratio	2022	2021	2020	2019	2018	Prior	Total
		(in millions)						
> 100%	> 100%	$ —	$ —	$ 2	$ 2	$ 3	$ 39	$ 46
80% - 100%	80% - 100%	7	9	2	20	8	29	75
60% - 80%	60% - 80%	39	87	17	52	9	107	311
40% - 60%	40% - 60%	48	89	69	90	57	435	788
< 40%	< 40%	18	12	30	46	85	471	662
Total	Total	$112	$197	$120	$210	$162	$1,081	$1,882

	December 31, 2023						
Loan-to-Value Ratio	2023	2022	2021	2020	2019	Prior	Total
	(in millions)						

Loan-to-value ratio is based on income and expense data provided by borrowers at least annually and long-term capitalization rate assumptions based on property type. For the nine three months ended September 30, 2023 March 31, 2024, the Company did not have any write-offs of commercial mortgage loans.

[Index](#)

AMERIPRISE FINANCIAL, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (Continued)

loans were not material.

In addition, the Company reviews the concentrations of credit risk by region and property type. Concentrations of credit risk of commercial mortgage loans by U.S. region were as follows:

		Loans		Percentage	
		September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022
		(in millions)			
East North Central	East North Central	$ 192	$ 201	11 %	11 %
East South Central	East South Central	51	54	3	3
Middle Atlantic	Middle Atlantic	113	114	6	6
Mountain	Mountain	136	129	7	7
New England	New England	22	23	1	1
Pacific	Pacific	631	638	35	34
South Atlantic	South Atlantic	449	479	25	25
West North Central	West North Central	113	120	6	6
West South Central	West South Central	116	124	6	7
Total		1,823	1,882	100 %	100 %

	Loans		Percentage	
	March 31, 2024	December 31, 2023	March 31, 2024	December 31, 2023
	(in millions)			
East North Central	$ 191	$ 189	10 %	10 %
Total	$ 1,837	$ 1,832	100 %	100 %

Less: allowance for credit losses	10	11
Total	$ 1,813	$ 1,871

[Index](#)

AMERIPRISE FINANCIAL, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (Continued)

Concentrations of credit risk of commercial mortgage loans by property type were as follows:

		Loans		Percentage	
		September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022
		(in millions)			
Apartments	Apartments	$ 485	$ 495	26 %	26 %
Hotel	Hotel	13	14	1	1
Industrial	Industrial	309	321	17	17
Mixed use	Mixed use	66	66	4	4
Office	Office	243	259	13	14
Retail	Retail	566	594	31	31
Other	Other	141	133	8	7
Total		1,823	1,882	100 %	100 %
Less: allowance for credit losses		10	11		
Total		$ 1,813	$ 1,871		

	Loans		Percentage		
	March 31, 2024		December 31, 2023	March 31, 2024	December 31, 2023
	(in millions)				
Apartments	$ 483	$ $ 485	26	26 %	26 %
Total	$ 1,837	$ 1,832		100 %	100 %

Syndicated Loans

The investment in syndicated loans as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023 was $160 million $138 million and $175 million $145 million, respectively. The Company's syndicated loan portfolio is diversified across industries and issuers. Syndicated There were no syndicated loans past due as of March 31, 2024 and syndicated loans past due were not material as of September 30, 2023 and no syndicated loans were past due as of December 31, 2022 December 31, 2023. The Company assigns an internal risk rating to each syndicated loan in its portfolio ranging from 1 through 5, with 5 reflecting the lowest quality. For the nine three months ended September 30, 2023 March 31, 2024, the Company did not have any write-offs of syndicated loans. loans were not material.

The tables below present the amortized cost basis of syndicated loans by origination year and internal risk rating:

		September 30, 2023						
Internal Risk Rating	Internal Risk Rating	2023	2022	2021	2020	2019	Prior	Total
		(in millions)						
Risk 5	Risk 5	$—	$ 1	$—	$—	$—	$—	$ 1
Risk 4	Risk 4	—	—	—	1	2	—	3
Risk 3	Risk 3	—	—	12	1	2	13	28
Risk 2	Risk 2	14	12	17	3	11	16	73
Risk 1	Risk 1	6	7	11	4	6	21	55
Total	Total	$20	$20	$40	$ 9	$21	$50	$160

	March 31, 2024						
Internal Risk Rating	2024	2023	2022	2021	2020	Prior	Total
	(in millions)						

[Index](#)

AMERIPRISE FINANCIAL, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (Continued)

		December 31, 2022						
Internal Risk Rating	Internal Risk Rating	2022	2021	2020	2019	2018	Prior	Total
		(in millions)						
Risk 5	Risk 5	$ 1	$—	$—	$—	$—	$—	$ 1
Risk 4	Risk 4	—	—	—	2	—	2	4

	December 31, 2023						
Internal Risk Rating	2023	2022	2021	2020	2019	Prior	Total
	(in millions)						

Risk 3	Risk 3	—	9	1	6	5	8	29
Risk 2	Risk 2	8	21	7	12	5	28	81
Risk 1	Risk 1	6	9	4	6	13	22	60
Total	Total	$15	$39	$12	$26	$23	$60	$175

Financial Advisor Loans

The Company offers loans to financial advisors for transitional cost assistance and practice operations. Repayment of the loan is highly dependent on the retention of the financial advisor. In the event a financial advisor is no longer affiliated with the Company, any the unpaid balances generally become immediately due. Accordingly, the primary risk factor for advisor loans is termination status. The allowance for credit losses related to loans to advisors that have terminated their relationship with the Company was $7 million and $6 million as of September 30, 2023 both March 31, 2024 and December 31, 2022, respectively. December 31, 2023. For the nine three months ended September 30, 2023 March 31, 2024, write-offs of advisor loans were not material.

[Index]

The tables below present the amortized cost basis of advisor loans by origination year and termination status:

		September 30, 2023						
		March 31, 2024						
Termination Status	Termination Status	2023	2022	2021	2020	2019	Prior	Total
		(in millions)						
Active	Active	$327	$325	$157	$114	$84	$175	$1,182
Terminated	Terminated	—	—	1	2	4	5	12
Total	Total	$327	$325	$158	$116	$88	$180	$1,194

	March 31, 2024						
Termination Status	2024	2023	2022	2021	2020	Prior	Total
	(in millions)						

		December 31, 2022						
		December 31, 2023						
Termination Status	Termination Status	2022	2021	2020	2019	2018	Prior	Total
		(in millions)						
Active	Active	$359	$178	$133	$ 99	$76	$158	$1,003
Terminated	Terminated	—	1	1	2	1	5	10
Total	Total	$359	$179	$134	$101	$77	$163	$1,013

	December 31, 2023						
Termination Status	2023	2022	2021	2020	2019	Prior	Total
	(in millions)						

Consumer Loans

Residential Mortgage Loans

The Company reviews the credit worthiness of the borrower in order to determine the risk of loss on residential mortgage loans. Geographic location and FICO scores are the primary credit quality indicators included in the model that projects the Company's risk of credit loss over the life of the residential mortgage loan portfolio. Delinquency rates are measured based on the number of days past due. Residential mortgage loans over 30 days past due were $3 million and $2 million as of March 31, 2024 and December 31, 2023, respectively. For the three months ended March 31, 2024, write-offs of residential mortgage loans were not material.

The tables below present the amortized cost basis of residential mortgage loans by year of origination and FICO score:

	March 31, 2024					
FICO Score	2024	2023	2022	2021	2020	Total
	(in millions)					
> 810	$ —	$ 10	$ 3	$ 2	$ 1	$ 16
780 - 809	14	64	29	8	6	121
740 - 779	8	85	26	8	5	132
720 - 739	3	16	6	4	—	29
700 - 719	—	8	5	4	1	18
< 699	2	8	3	3	—	16
Total	$ 27	$ 191	$ 72	$ 29	$ 13	$ 332

	December 31, 2023				
FICO Score	2023	2022	2021	2020	Total
	(in millions)				
> 810	$ 9	$ 3	$ 2	$ —	$ 14
780 - 809	65	29	8	6	108
740 - 779	80	26	8	6	120
720 - 739	15	6	4	1	26

700 - 719	8	5	4	1	18
< 699	7	4	3	—	14
Total	$ 184	$ 73	$ 29	$ 14	$ 300

The table below presents the concentrations of credit risk of residential mortgage loans by U.S. region:

	Loans		Percentage	
	March 31, 2024	December 31, 2023	March 31, 2024	December 31, 2023
	(in millions)			
Minnesota	$ 200	$ 178	60 %	59 %
Other U.S. States	132	122	40	41
Total	$ 332	$ 300	100 %	100 %

Index

Credit Card Receivables

The credit cards are co-branded with Ameriprise Financial, Inc. and issued to the Company’s customers by a third party. FICO scores and delinquency rates are the primary credit quality indicators for the credit card portfolio. Delinquency rates are measured based on the number of days past due. Credit card receivables over 30 days past due were 2% and 1% of total credit card receivables as of September 30, 2023 both March 31, 2024 and December 31, 2022, respectively. December 31, 2023.

The table below presents the amortized cost basis of credit card receivables by FICO score:

FICO Score	FICO Score	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
		(in millions)		(in millions)	
> 800	> 800	$ 29	$ 32		
750 - 799	750 - 799	26	27		
700 - 749	700 - 749	29	28		
650 - 699	650 - 699	18	17		
< 650	< 650	7	6		
Total	Total	$ 109	$ 110		

Policy Loans

Policy loans do not exceed the cash surrender value at origination. As there is minimal risk of loss related to policy loans, there is no allowance for credit losses.

Index

AMERIPRISE FINANCIAL, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (Continued)

Margin Loans

The margin loans balance was $1.1 billion $1.0 billion and $1.2 $1.1 billion as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively. The Company monitors collateral supporting margin loans and requests additional collateral when necessary in order to mitigate the risk of loss. As of both September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, there was no allowance for credit losses on margin loans.

Pledged Asset Lines of Credit

The pledged asset lines of credit balance was $523 $563 million and $589 $537 million as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively. The Company monitors collateral supporting pledged asset lines of credit and requests additional collateral when necessary in order to mitigate the risk of loss. As of both September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, there was no allowance for credit losses on pledged asset lines of credit.

Deposit Receivables

Deposit receivables were $6.7 billion $6.3 billion and $7.4 billion $6.5 billion as of September 30, 2023 March 31, 2024 and December 31, 2022 2023, respectively. Deposit receivables are collateralized by the fair value of the assets held in trusts. Based on management’s evaluation of the collateral value relative to the deposit receivables, the allowance for credit losses for deposit receivables was not material as of both September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023.

Modifications with Borrowers Experiencing Financial Difficulty

Modifications of financing receivables with borrowers experiencing financial difficulty by the Company were not material during for the three and nine months ended September 30, 2023. March 31, 2024 and 2023.

AMERIPRISE FINANCIAL, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (Continued)

7. Deferred Acquisition Costs and Deferred Sales Inducement Costs

The following tables summarize the balances of and changes in DAC, including deferred acquisition costs ("DAC"):

	Variable Annuities	Structured Variable Annuities	Fixed Annuities	Fixed Indexed Annuities	Universal Life Insurance	Variable Universal Life Insurance
	(in millions)					
Balance at January 1, 2024	$ 1,496	$ 208	$ 35	$ 5	$ 110	$ 534
Capitalization of acquisition costs	6	25	—	—	—	13
Amortization	(30)	(7)	(2)	—	(2)	(11)
Balance at March 31, 2024	$ 1,472	$ 226	$ 33	$ 5	$ 108	$ 536

	Indexed Universal Life Insurance	Other Life Insurance	Life Contingent Payout Annuities	Term and Whole Life Insurance	Disability Income Insurance	Total, All Products
	(in millions)					
Balance at January 1, 2024	$ 223	$ 2	$ 6	$ 17	$ 75	$ 2,711
Capitalization of acquisition costs	1	—	1	—	1	47
Amortization	(4)	—	—	—	(3)	(59)
Balance at March 31, 2024	$ 220	$ 2	$ 7	$ 17	$ 73	$ 2,699
Other broker dealer acquisition costs						2
Balance at March 31, 2024 including broker dealer acquisition costs						$ 2,701

	Variable Annuities	Structured Variable Annuities	Fixed Annuities	Fixed Indexed Annuities	Universal Life Insurance	Variable Universal Life Insurance
	(in millions)					
Balance at January 1, 2023	$ 1,598	$ 149	$ 45	$ 6	$ 118	$ 521
Capitalization of acquisition costs	23	83	—	—	—	57
Amortization	(125)	(24)	(10)	(1)	(8)	(44)
Balance at December 31, 2023	$ 1,496	$ 208	$ 35	$ 5	$ 110	$ 534

	Indexed Universal Life Insurance	Other Life Insurance	Life Contingent Payout Annuities	Term and Whole Life Insurance	Disability Income Insurance	Total, All Products
	(in millions)					
Balance at January 1, 2023	$ 236	$ 3	$ 2	$ 18	$ 79	$ 2,775
Capitalization of acquisition costs	4	—	4	1	4	176
Amortization	(17)	(1)	—	(2)	(8)	(240)
Balance at December 31, 2023	$ 223	$ 2	$ 6	$ 17	$ 75	$ 2,711
Other broker dealer acquisition costs						2
Balance at December 31, 2023 including broker dealer acquisition costs						$ 2,713

The following tables summarize the January 1, 2021 adoption balances of ASU 2018-12: and changes in deferred sales inducement costs ("DSIC"):

	Variable Annuities	Structured Variable Annuities	Fixed Annuities	Fixed Indexed Annuities	Universal Life Insurance	Variable Universal Life Insurance
	(in millions)					
Pre-adoption balance at December 31, 2020	$ 1,690	$ 22	$ 43	$ 7	$ 100	$ 452
Effect of shadow reserve adjustments	42	4	18	1	31	53
Post-adoption balance at January 1, 2021	1,732	26	61	8	131	505
Capitalization of acquisition costs	111	71	—	—	3	54
Amortization	(147)	(6)	(8)	(1)	(9)	(47)
Balance at December 31, 2021	$ 1,696	$ 91	$ 53	$ 7	$ 125	$ 512

	Indexed Universal Life Insurance	Other Life Insurance	Life Contingent Payout Annuities	Term and Whole Life Insurance	Disability Insurance	Total, All Products
	(in millions)					
Pre-adoption balance at December 31, 2020	$ 108	$ (3)	$ —	$ 19	$ 89	$ 2,527
Effect of shadow reserve adjustments	149	6	—	—	—	304
Post-adoption balance at January 1, 2021	257	3	—	19	89	2,831
Capitalization of acquisition costs	9	—	1	2	4	255
Amortization	(18)	—	—	(2)	(9)	(247)
Balance at December 31, 2021	$ 248	$ 3	$ 1	$ 19	$ 84	$ 2,839
Other broker dealer acquisition costs						5
Balance at December 31, 2021 including broker dealer acquisition costs						$ 2,844

	Variable Annuities	Fixed Annuities	Total, All Products
	(in millions)		
Balance at January 1, 2024	$ 136	$ 12	$ 148
Amortization	(3)	(1)	(4)
Balance at March 31, 2024	$ 133	$ 11	$ 144

	Variable Annuities	Structured Variable Annuities	Fixed Annuities	Fixed Indexed Annuities	Universal Life Insurance	Variable Universal Life Insurance
	(in millions)					
Balance at January 1, 2022	$ 1,696	$ 91	$ 53	$ 7	$ 125	$ 512
Capitalization of acquisition costs	38	73	—	—	1	55
Amortization	(136)	(15)	(8)	(1)	(8)	(46)
Balance at December 31, 2022	$ 1,598	$ 149	$ 45	$ 6	$ 118	$ 521

	Indexed Universal Life Insurance	Other Life Insurance	Life Contingent Payout Annuities	Term and Whole Life Insurance	Disability Insurance	Total, All Products
	(in millions)					
Balance at January 1, 2022	$ 248	$ 3	$ 1	$ 19	$ 84	$ 2,839
Capitalization of acquisition costs	5	—	1	1	4	178
Amortization	(17)	—	—	(2)	(9)	(242)
Balance at December 31, 2022	$ 236	$ 3	$ 2	$ 18	$ 79	$ 2,775
Other broker dealer acquisition costs						2
Balance at December 31, 2022 including broker dealer acquisition costs						$ 2,777

	Variable Annuities	Structured Variable Annuities	Fixed Annuities	Fixed Indexed Annuities	Universal Life Insurance	Variable Universal Life Insurance
	(in millions)					
Balance at January 1, 2023	$ 1,598	$ 149	$ 45	$ 6	$ 118	$ 521
Capitalization of acquisition costs	17	61	—	—	—	41
Amortization	(96)	(18)	(8)	(1)	(6)	(33)
Balance at September 30, 2023	$ 1,519	$ 192	$ 37	$ 5	$ 112	$ 529

	Indexed Universal Life Insurance	Other Life Insurance	Life Contingent Payout Annuities	Term and Whole Life Insurance	Disability Insurance	Total, All Products
	(in millions)					
Balance at January 1, 2023	$ 236	$ 3	$ 2	$ 18	$ 79	$ 2,775

Capitalization of acquisition costs		3		—		3		1		3		129
Amortization		(12)		—		—		(1)		(6)		(181)
Balance at September 30, 2023	$	227	$	3	$	5	$	18	$	76	$	2,723
Other broker dealer acquisition costs												2
Balance at September 30, 2023 including broker dealer acquisition costs											$	2,725

The following tables summarize the balances of and changes in DSIC, including the January 1, 2021 adoption of ASU 2018-12:

	Variable Annuities		Fixed Annuities		Total, All Products	
			(in millions)			
Pre-adoption balance at December 31, 2020	$	175	$	14	$	189
Effect of shadow reserve adjustments		8		8		16
Post-adoption balance at January 1, 2021		183		22		205
Capitalization of sales inducement costs		1		—		1
Amortization		(18)		(3)		(21)
Balance at December 31, 2021	$	166	$	19	$	185

Index

	Variable Annuities		Fixed Annuities		Total, All Products	
			(in millions)			
Balance at January 1, 2022	$	166	$	19	$	185
Capitalization of sales inducement costs		1		—		1
Amortization		(16)		(3)		(19)
Balance at December 31, 2022	$	151	$	16	$	167

		Variable Annuities		Fixed Annuities		Total, All Products
				(in millions)		
		Variable Annuities				
		Variable Annuities				
		Variable Annuities		Fixed Annuities		Total, All Products
		(in millions)				(in millions)
Balance at January 1, 2023	Balance at January 1, 2023	$ 151	$	16	$	167
Amortization	Amortization	(12)		(3)		(15)
Balance at September 30, 2023		$ 139	$	13	$	152
Amortization						
Amortization						
Balance at December 31, 2023						

9. 8. Policyholder Account Balances, Future Policy Benefits and Claims

Policyholder account balances, future policy benefits and claims consisted of the following:

		September 30, 2023	December 31, 2022
		(in millions)	
March 31, 2024		March 31, 2024	December 31, 2023
		(in millions)	
Policyholder account balances	**Policyholder account balances**		
Policyholder account balances			
Policyholder account balances			
Policyholder account balances	Policyholder account balances	$26,712	$24,986
Future policy benefits	**Future policy benefits**		
Future policy benefits			
Future policy benefits			
Reserve for future policy benefits			
Reserve for future policy benefits			
Reserve for future policy benefits	Reserve for future policy benefits	7,142	7,495
Deferred profit liability	Deferred profit liability	77	62
Additional liabilities for insurance guarantees	Additional liabilities for insurance guarantees	1,246	1,186
Other insurance and annuity liabilities	Other insurance and annuity liabilities	169	177
Total future policy benefits	Total future policy benefits	8,634	8,920
Policy claims and other policyholders' funds	Policy claims and other policyholders' funds	180	226
Total policyholder account balances, future policy benefits and claims	Total policyholder account balances, future policy benefits and claims	$35,526	$34,132

Variable Annuities

Purchasers of variable annuities can select from a variety of investment options and can elect to allocate a portion to a fixed account. A vast majority of the premiums received for variable annuity contracts are held in separate accounts where the assets are held for the exclusive benefit of those contractholders.

Most of the variable annuity contracts issued by the Company contain a GMDB. guaranteed minimum death benefit ("GMDB"). The Company previously offered contracts with GMAB, GMWB, guaranteed minimum accumulation benefit ("GMAB"), guaranteed minimum withdrawal benefit ("GMWB"), and GMIB guaranteed minimum income benefit ("GMIB") provisions. See Note 2 and Note 11 10 for additional information regarding the Company's variable annuity guarantees. See Note 13 12 and Note 15 14 for additional information regarding the Company's derivative instruments used to hedge risks related to these guarantees.

Structured Variable Annuities

Structured variable annuities provide contractholders the option to allocate a portion of their account value to an indexed account held in a non-insulated separate account with the contractholder's rate of return, which may be positive or negative, tied to selected indices. The amount allocated by a contractholder to the indexed account creates an embedded derivative which is measured at fair value. The Company hedges the equity and interest rate risk related to the indexed account with freestanding derivative instruments.

Fixed Annuities

Fixed annuities include deferred, payout and fixed deferred indexed annuity contracts. In 2020, the Company discontinued sales of fixed deferred and fixed deferred indexed annuities.

Deferred contracts offer a guaranteed minimum rate of interest and security of the principal invested. Payout contracts guarantee a fixed income payment for life or the term of the contract. Liabilities for fixed annuities in a benefit or payout status are based on future estimated payments using established industry mortality tables and interest rates.

The Company's fixed index annuity product is a fixed annuity that includes an indexed account. The rate of interest credited above the minimum guarantee for funds allocated to the indexed account is linked to the performance of the specific index for the indexed

account (subject to a cap). The amount allocated by a contractholder to the indexed account creates an embedded derivative which is measured at fair value.

See Note 15 14 for additional information regarding the Company's derivative instruments used to hedge the risk related to indexed accounts.

Insurance Liabilities

Purchasers of UL Universal life ("UL") policies accumulate cash value that increases by a fixed interest rate. Purchasers of VUL variable universal life ("VUL") can select from a variety of investment options and can elect to allocate a portion of their account balance to a fixed account or a separate account. A vast majority of the premiums received for VUL policies are held in separate accounts where the assets are held for the exclusive benefit of those policyholders.

IUL Indexed universal life ("IUL") is a UL policy that includes an indexed account. The rate of credited interest for funds allocated by a contractholder to the indexed account is linked to the performance of the specific index for the indexed account (subject to stated account parameters, which include a cap and floor, or a spread). The policyholder may allocate all or a portion of the policy value to a fixed or any available indexed account. The amount allocated by a contractholder to the indexed account creates an embedded derivative which is measured at fair value. The Company hedges the interest credited rate including equity and interest rate risk related to the indexed account with freestanding derivative instruments.

See Note 15 14 for additional information regarding the Company's derivative instruments used to hedge the risk related to IUL.

The Company also offers term life insurance as well as DI disability income ("DI") insurance products. The Company no longer offers standalone LTC long term care ("LTC") insurance products and whole life insurance but has in force policies from prior years.

Insurance liabilities include accumulation values, incurred but not reported claims, obligations for anticipated future claims, unpaid reported claims and claim adjustment expenses.

The balances of and changes in policyholder account balances were as follows:

	Variable Annuities	Structured Variable Annuities	Fixed Annuities	Fixed Indexed Annuities	Non-Life Contingent Payout Annuities
	(in millions, except percentages)				
Balance at January 1, 2023	$4,752	$ 6,410	$ 6,799	$312	$ 471

	Variable Annuities	Variable Annuities	Structured Variable Annuities	Fixed Annuities	Fixed Indexed Annuities	Non-Li Conting Payou Annuiti
	(in millions, except percentages)				(in millions, except percentages)	
Balance at January 1, 2024						

Contract deposits	Contract deposits	51	2,217	36	—	67					
Policy charges	Policy charges	(7)	—	—	—	—					
Surrenders and other benefits	Surrenders and other benefits	(527)	(100)	(820)	(8)	(87)					
Net transfer from (to) separate account liabilities	Net transfer from (to) separate account liabilities	(18)	—	—	—	—					
Other variable account adjustments		—	602	—	—	—					
Net transfer from (to) separate account liabilities											
Net transfer from (to) separate account liabilities											
Variable account index-linked adjustments											
Interest credited	Interest credited	108	1	168	4	5					
Balance at September 30, 2023		$4,359	$ 9,130	$ 6,183	$308	$ 456					
Balance at March 31, 2024											
Weighted-average crediting rate											
Weighted-average crediting rate											
Weighted-average crediting rate	Weighted-average crediting rate	3.3 %	1.7 %	3.6 %	2.0 %	N/A	3.3 %	1.8 %	3.6 %	2.0 %	N/A
Cash surrender value (1)	Cash surrender value (1)	$4,330	$ 8,586	$ 6,175	$274	N/A					
Cash surrender value (1)											
Cash surrender value (1)							$ 3,999	$ 11,656	$ 5,794	$ 278	N/A

	Universal Life Insurance	Variable Universal Life Insurance	Indexed Universal Life Insurance	Other Life Insurance	Total, All Products
	(in millions, except percentages)				
Balance at January 1, 2023	$1,544	$ 1,520	$ 2,654	$524	$ 24,986
	Universal Life Insurance				
	Universal Life Insurance				

		Universal Life Insurance	Variable Universal Life Insurance	Indexed Universal Life Insurance	Other Life Insurance	Total, All Products
		(in millions, except percentages)				(in millions, except percentages)
Balance at January 1, 2024						
Contract deposits	Contract deposits	93	197	143	—	2,804
Policy charges	Policy charges	(133)	(70)	(90)	—	(300)
Surrenders and other benefits	Surrenders and other benefits	(53)	(56)	(40)	(29)	(1,720)
Net transfer from (to) separate account liabilities	Net transfer from (to) separate account liabilities	—	(71)	—	—	(89)
Other variable account adjustments		—	—	—	—	602
Net transfer from (to) separate account liabilities						
Net transfer from (to) separate account liabilities						
Variable account index-linked adjustments						
Interest credited	Interest credited	39	41	50	13	429
Balance at September 30, 2023		$1,490	$ 1,561	$ 2,717	$508	$26,712
Balance at March 31, 2024						
Weighted-average crediting rate	Weighted-average crediting rate	3.6 %	3.9 %	2.0 %	4.0 %	
Weighted-average crediting rate						
Weighted-average crediting rate						
Net amount at risk						
Net amount at risk						
Net amount at risk	Net amount at risk	$8,845	$57,563	$14,607	$142	
Cash surrender value (1)	Cash surrender value (1)	$1,343	$ 1,060	$ 2,229	$333	
Cash surrender value (1)						
Cash surrender value (1)						

Index

	Variable Annuities	Structured Variable Annuities	Fixed Annuities	Fixed Indexed Annuities	Non-Life Contingent Payout Annuities
	(in millions, except percentages)				
Balance at January 1, 2022	$4,972	$ 4,458	$ 7,251	$323	$ 527

	Variable Annuities	Variable Annuities	Structured Variable Annuities	Fixed Annuities	Fixed Indexed Annuities	Non-Li Conting Payou Annuiti
	(in millions, except percentages)					(in millions, except percentages)
Balance at January 1, 2023						

Contract deposits	Contract deposits	146	2,784	55	—	53
Policy charges	Policy charges	(8)	—	—	—	—
Surrenders and other benefits	Surrenders and other benefits	(450)	(41)	(744)	(17)	(124)
Net transfer from (to) separate account liabilities	Net transfer from (to) separate account liabilities	(60)	—	—	—	—
Other variable account adjustments		—	(791)	—	—	—
Net transfer from (to) separate account liabilities						
Net transfer from (to) separate account liabilities						
Variable account index-linked adjustments						
Interest credited	Interest credited	152	—	237	6	15
Balance at December 31, 2022		$4,752	$ 6,410	$ 6,799	$312	$ 471
Balance at December 31, 2023						
Weighted-average crediting rate						
Weighted-average crediting rate						

Weighted-average crediting rate	Weighted-average crediting rate	3.2 %	1.1 %	3.5 %	1.9 %	N/A	3.3 %	1.8 %	3.6 %	2.0 %	N/A
Cash surrender value (1)	Cash surrender value (1)	$4,720	$ 5,986	$ 6,786	$277	N/A					
Cash surrender value (1)											
Cash surrender value (1)							$ 4,146	$ 10,129	$ 5,974	$ 278	N/A

		Universal Life Insurance	Variable Universal Life Insurance	Indexed Universal Life Insurance	Other Life Insurance	Total, All Products
		(in millions, except percentages)				
Balance at January 1, 2022		$1,602	$ 1,493	$ 2,534	$563	$ 23,723

	Universal Life Insurance	Variable Universal Life Insurance	Indexed Universal Life Insurance	Other Life Insurance	Total, All Products
	Universal Life Insurance				
	Universal Life Insurance				
	(in millions, except percentages)				(in millions, except percentages)
Balance at January 1, 2023					

Contract deposits	Contract deposits	134	233	218	(3)	3,620
Policy charges	Policy charges	(178)	(91)	(116)	—	(393)
Surrenders and other benefits	Surrenders and other benefits	(67)	(70)	(50)	(56)	(1,619)
Net transfer from (to) separate account liabilities	Net transfer from (to) separate account liabilities	—	(102)	—	—	(162)
Other variable account adjustments		—	—	—	—	(791)
Net transfer from (to) separate account liabilities						
Net transfer from (to) separate account liabilities						
Variable account index-linked adjustments						
Interest credited	Interest credited	53	57	68	20	608

Balance at December 31, 2022		$1,544	$ 1,520	$ 2,654	$524	$24,986
Balance at December 31, 2023						
Weighted-average crediting rate	Weighted-average crediting rate	3.6 %	3.9 %	2.0 %	4.0 %	
Weighted-average crediting rate						
Weighted-average crediting rate						
Net amount at risk						
Net amount at risk						
Net amount at risk	Net amount at risk	$9,187	$57,354	$15,043	$149	
Cash surrender value (1)	Cash surrender value (1)	$1,382	$ 1,054	$ 2,148	$348	
Cash surrender value (1)						
Cash surrender value (1)						

(1) Cash surrender value represents the amount of the contractholder's account balances distributable at the balance sheet date less certain surrender charges. For variable annuities and VUL, the cash surrender value shown is the proportion of the total cash surrender value related to their fixed account liabilities.

Refer to Note 11 10 for the net amount at risk for market risk benefits (“MRB”) associated with variable and structured variable annuities. Fixed, fixed indexed, and non-life contingent payout annuities do not have net amount at risk in excess of account value. Net amount at risk for insurance products is calculated as the death benefit amount in excess of applicable account values, host, embedded derivative, and separate account liabilities.

Index

The following tables present the account values of fixed deferred annuities, fixed insurance, and the fixed portion of variable annuities and variable insurance contracts by range of guaranteed minimum interest rates (“GMIRs”) and the range of the difference between rates credited to policyholders and contractholders as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023 and the respective guaranteed minimums, as well as the percentage of account values subject to rate reset in the time period indicated. Rates are reset at management’s discretion, subject to guaranteed minimums.

September 30, 2023

Range of Guaranteed Minimum Crediting Rates	Account Values with Crediting Rates: At Guaranteed Minimum	1-49 bps above Guaranteed Minimum	50-99 bps above Guaranteed Minimum	100-150 bps above Guaranteed Minimum	Greater than 150 bps above Guaranteed Minimum	Total
	(in millions, except percentages)					

March 31, 2024

Range of Guaranteed Minimum Crediting Rates	Account Values with Crediting Rates: At Guaranteed Minimum	1-49 bps above Guaranteed Minimum	50-99 bps above Guaranteed Minimum	100-150 bps above Guaranteed Minimum	Greater than 150 bps above Guaranteed Minimum	Total
	(in millions, except percentages)					

Fixed accounts of variable annuities	Fixed accounts of variable annuities	1 % – 1.99%	$ 66	$ 149	$ 32	$ 6	$ 1	$ 254
		2 % – 2.99%	148	—	—	—	—	148
		3 % – 3.99%	2,336	—	—	1	—	2,337
		4 % – 5.00%	1,562	—	—	—	—	1,562
		Total	$ 4,112	$ 149	$ 32	$ 7	$ 1	$4,301
	2							
	3							
	4							
	Total							
Fixed accounts of structured variable annuities	Fixed accounts of structured variable annuities	1 % – 1.99%	$ 1	$ 19	$ 3	$ 1	$ —	$ 24
		2 % – 2.99%	8	—	—	—	—	8
		3 % – 3.99%	—	—	—	—	—	—
		4 % – 5.00%	—	—	—	—	—	—
		Total	$ 9	$ 19	$ 3	$ 1	$ —	$ 32
Fixed accounts of structured variable annuities								
Fixed accounts of structured variable annuities								
	2							
	3							
	4							
	Total							
Fixed annuities	Fixed annuities	1 % – 1.99%	$ 116	$ 455	$ 221	$ 21	$ 8	$ 821
		2 % – 2.99%	51	4	—	—	—	55
		3 % – 3.99%	2,959	—	—	—	—	2,959
		4 % – 5.00%	2,333	—	—	—	—	2,333
		Total	$ 5,459	$ 459	$ 221	$ 21	$ 8	$6,168
Fixed annuities								
Fixed annuities								
	2							
	3							
	4							
	Total							
Non-indexed accounts of fixed indexed annuities	Non-indexed accounts of fixed indexed annuities	1 % – 1.99%	$ —	$ 3	$ 7	$ 13	$ —	$ 23
		2 % – 2.99%	—	—	—	—	—	—
		3 % – 3.99%	—	—	—	—	—	—
		4 % – 5.00%	—	—	—	—	—	—

		Total	$ —	$ 3	$ 7	$ 13	$ —	$ 23
Non-indexed accounts of fixed indexed annuities								
Non-indexed accounts of fixed indexed annuities								
		2						
		3						
		4						
		Total						
Universal life insurance	Universal life insurance	1 % – 1.99%	$ —	$ —	$ —	$ —	$ —	$ —
Universal life insurance								
Universal life insurance								
		2						
		3						
		4						
		Total						
		2 % – 2.99%	53	1	7	—	—	61
		3 % – 3.99%	860	1	4	3	—	868
		4 % – 5.00%	532	—	—	—	—	532
		Total	$ 1,445	$ 2	$ 11	$ 3	$ —	$1,461

[Index](#)

AMERIPRISE FINANCIAL, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (Continued)

		Range of Guaranteed Minimum Crediting Rates	Account Values with Crediting Rates: At Guaranteed Minimum	1-49 bps above Guaranteed Minimum	50-99 bps above Guaranteed Minimum	100-150 bps above Guaranteed Minimum	Greater than 150 bps above Guaranteed Minimum	Total
			(in millions, except percentages)					
Fixed accounts of variable universal life insurance	Fixed accounts of variable universal life insurance	1 % – 1.99%	$ —	$ 3	$ 4	$ —	$ 26	$ 33
		2 % – 2.99%	17	8	—	2	5	32

Range of Guaranteed Minimum Crediting Rates	Account Values with Crediting Rates	Range of Guaranteed Minimum Crediting Rates	At Guaranteed Minimum	1-49 bps above Guaranteed Minimum
	(in millions, except percentages)			

		3 % – 3.99%	125	1	4	4	—	134
		4 % – 5.00%	623	—	—	—	—	623
		Total	$ 765	$ 12	$ 8	$ 6	$ 31	$ 822
		2						
		3						
		4						
		Total						
Non-indexed accounts of indexed universal life insurance	Non-indexed accounts of indexed universal life insurance	1 % – 1.99%	$ —	$ —	$ 2	$ —	$ —	$ 2
		2 % – 2.99%	128	—	—	—	—	128
		3 % – 3.99%	—	—	—	—	—	—
		4 % – 5.00%	—	—	—	—	—	—
		Total	$ 128	$ —	$ 2	$ —	$ —	$ 130
Non-indexed accounts of indexed universal life insurance								
Non-indexed accounts of indexed universal life insurance								
		2						
		3						
		4						
		Total						
Other life insurance	Other life insurance	1 % – 1.99%	$ —	$ —	$ —	$ —	$ —	$ —
		2 % – 2.99%	—	—	—	—	—	—
		3 % – 3.99%	31	—	—	—	—	31
		4 % – 5.00%	301	—	—	—	—	301
		Total	$ 332	$ —	$ —	$ —	$ —	$ 332
Other life insurance								
Other life insurance								
		2						
		3						
		4						
		Total						
Total	Total	1 % – 1.99%	$ 183	$ 629	$ 269	$ 41	$ 35	$ 1,157
		2 % – 2.99%	405	13	7	2	5	432
		3 % – 3.99%	6,311	2	8	8	—	6,329
		4 % – 5.00%	5,351	—	—	—	—	5,351
		Total	$12,250	$ 644	$ 284	$ 51	$ 40	$13,269
Total								
Total								
		2						
		3						
		4						
		Total						

Percentage of total account values that reset in:

Percentage of total account values that reset in:

Percentage of total account values that reset in:

Percentage of total account values that reset in:

Next 12 months

Next 12 months

Percentage of total account values that reset in:						
Next 12 months	99.9 %	99.1 %	99.3 %	100.0 %	100.0 %	99.9 %
> 12 months to 24 months	—	0.9	0.6	—	—	0.1
> 24 months	0.1	—	0.1	—	—	—
Total	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %

Next 12 months	100.0 %	100.0 %	99.5 %	100.0 %	100.
Total		100.0 %	100.0 %	100.0 %	

December 31, 2022

December 31, 2023

December 31, 2023

Range of Guaranteed Minimum Crediting Rates	Account Values with Crediting Rates					
Range of Guaranteed Minimum Crediting Rates	At Guaranteed Minimum	1-49 bps above Guaranteed Minimum	50-99 bps above Guaranteed Minimum	100-150 bps above Guaranteed Minimum	Greater than 150 bps above Guaranteed Minimum	Total
	(in millions, except percentages)					
Fixed accounts of variable annuities						
2						
3						
4						
Total						

	Range of Guaranteed Minimum Crediting Rates	Account Values with Crediting Rates					
		At Guaranteed Minimum	1-49 bps above Guaranteed Minimum	50-99 bps above Guaranteed Minimum	100-150 bps above Guaranteed Minimum	Greater than 150 bps above Guaranteed Minimum	Total
		(in millions, except percentages)					
Fixed accounts of variable annuities	1 % – 1.99%	$ 169	$ 102	$ 18	$ —	$ —	$ 289
	2 % – 2.99%	177	—	—	—	—	177
	3 % – 3.99%	2,611	—	—	1	—	2,612

4 % – 5.00%	1,611	—	—	—	—	1,611
Total	$ 4,568	$ 102	$ 18	$ 1	$ —	$4,689

Index

		Range of Guaranteed Minimum Crediting Rates	Account Values with Crediting Rates					
			At Guaranteed Minimum	1-49 bps above Guaranteed Minimum	50-99 bps above Guaranteed Minimum	100-150 bps above Guaranteed Minimum	Greater than 150 bps above Guaranteed Minimum	Total
			(in millions, except percentages)					
Fixed accounts of structured variable annuities	Fixed accounts of structured variable annuities	1 % – 1.99%	$ 12	$ 7	$ 3	$ 1	$ —	$ 23
		2 % – 2.99%	—	—	—	—	—	—
		3 % – 3.99%	—	—	—	—	—	—
		4 % – 5.00%	—	—	—	—	—	—
		Total	$ 12	$ 7	$ 3	$ 1	$ —	$ 23
		2						
		3						
		4						
		Total						
Fixed annuities	Fixed annuities	1 % – 1.99%	$ 460	$ 402	$ 132	$ 33	$ 10	$1,037
		2 % – 2.99%	67	—	—	—	—	67
		3 % – 3.99%	3,344	—	—	—	—	3,344
		4 % – 5.00%	2,333	—	—	—	—	2,333
		Total	$ 6,204	$ 402	$ 132	$ 33	$ 10	$6,781
Fixed annuities								
Fixed annuities								
		2						
		3						
		4						
		Total						

Range of Guaranteed Minimum Crediting Rates	Account Values with Crediting Rates	Range of Guaranteed Minimum Crediting Rates	At Guaranteed Minimum	1-49 bps above Guaranteed Minimum	50-99 bps above Guaranteed Minimum	100-150 bps above Guaranteed Minimum	Greater than 150 bps above Guaranteed Minimum	Account Values with Crediting Rates Total
	(in millions, except percentages)							(in millions, except percentages)

Non-indexed accounts of fixed indexed annuities	Non-indexed accounts of fixed indexed annuities	1 % – 1.99%	$ 1	$ 3	$ 7	$ 14	$ —	$ 25
		2 % – 2.99%	—	—	—	—	—	—
		3 % – 3.99%	—	—	—	—	—	—
		4 % – 5.00%	—	—	—	—	—	—
		Total	$ 1	$ 3	$ 7	$ 14	$ —	$ 25
Non-indexed accounts of fixed indexed annuities								
Non-indexed accounts of fixed indexed annuities								
	2							
	3							
	4							
	Total							
Universal life insurance	Universal life insurance	1 % – 1.99%	$ —	$ —	$ —	$ —	$ —	$ —
		2 % – 2.99%	55	—	1	—	—	56
		3 % – 3.99%	885	1	2	—	—	888
		4 % – 5.00%	569	—	—	—	—	569
		Total	$ 1,509	$ 1	$ 3	$ —	$ —	$1,513
Universal life insurance								
Universal life insurance								
	2							
	3							
	4							
	Total							
Fixed accounts of variable universal life insurance	Fixed accounts of variable universal life insurance	1 % – 1.99%	$ 4	$ 3	$ 2	$ —	$ 9	$ 18
		2 % – 2.99%	30	—	1	2	2	35
		3 % – 3.99%	134	1	1	1	—	137
		4 % – 5.00%	648	—	—	—	—	648
		Total	$ 816	$ 4	$ 4	$ 3	$ 11	$ 838
Fixed accounts of variable universal life insurance								
Fixed accounts of variable universal life insurance								
	2							
	3							
	4							

Total

Non-indexed accounts of indexed universal life insurance	Non-indexed accounts of indexed universal life insurance	1 % – 1.99%	$ —	$ —	$ 3	$ —	$ —	$ 3

Non-indexed accounts of indexed universal life insurance

Non-indexed accounts of indexed universal life insurance

2

3

4

Total

2 % – 2.99%	126	—	—	—	—	126
3 % – 3.99%	—	—	—	—	—	—
4 % – 5.00%	—	—	—	—	—	—
Total	$ 126	$ —	$ 3	$ —	$ —	$ 129

[Index](#)

	Range of Guaranteed Minimum Crediting Rates	Account Values with Crediting Rates					
		At Guaranteed Minimum	1-49 bps above Guaranteed Minimum	50-99 bps above Guaranteed Minimum	100-150 bps above Guaranteed Minimum	Greater than 150 bps above Guaranteed Minimum	Total
		(in millions, except percentages)					
Other life insurance	1 % – 1.99%	$ —	$ —	$ —	$ —	$ —	$ —
	2 % – 2.99%	—	—	—	—	—	—
	3 % – 3.99%	32	—	—	—	—	32
	4 % – 5.00%	314	—	—	—	—	314
	Total	$ 346	$ —	$ —	$ —	$ —	$ 346
Total	1 % – 1.99%	$ 646	$ 517	$ 165	$ 48	$ 19	$ 1,395
	2 % – 2.99%	455	—	2	2	2	461
	3 % – 3.99%	7,006	2	3	2	—	7,013
	4 % – 5.00%	5,475	—	—	—	—	5,475
	Total	$ 13,582	$ 519	$ 170	$ 52	$ 21	$ 14,344
Percentage of total account values that reset in:							
Next 12 months		99.8 %	96.3 %	93.8 %	100.0 %	100.0 %	99.6 %
> 12 months to 24 months		0.1	3.0	5.8	—	—	0.3
> 24 months		0.1	0.7	0.4	—	—	0.1
Total		100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %

The following tables summarize the balances of and changes in the liability for future policy benefits, including the January 1, 2021 adoption of ASU 2018-12:

	Life Contingent Payout Annuities	Term and Whole Life Insurance	Disability Insurance	Long Term Care Insurance	Total, All Products

	(in millions)				
Pre-adoption balance at December 31, 2020	$ 1,536	$ 633	$ 530	$ 5,749	$ 8,448
Effect of shadow reserve adjustments	(175)	—	—	(566)	(741)
Adjustments for loss contracts (with premiums in excess of gross premiums) under the modified retrospective approach	4	—	—	35	39
Effect of change in deferred profit liability	(43)	—	—	—	(43)
Effect of remeasurement of the liability at the current single A discount rate	215	265	238	1,965	2,683
Post-adoption balance at January 1, 2021	1,537	898	768	7,183	10,386
Less: reinsurance recoverable	—	601	24	3,623	4,248
Post-adoption balance at January 1, 2021, after reinsurance recoverable	$ 1,537	$ 297	$ 744	$ 3,560	$ 6,138

Index

AMERIPRISE FINANCIAL, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (Continued)

	Life Contingent Payout Annuities	Term and Whole Life Insurance	Disability Insurance	Long Term Care Insurance	Total, All Products
	(in millions, except percentages)				
Present Value of Expected Net Premiums:					
Balance at January 1, 2021	$ —	$ 702	$ 238	$ 1,831	$ 2,771
Beginning balance at original discount rate	—	536	183	1,498	2,217
Effect of changes in cash flow assumptions	—	—	—	(6)	(6)
Effect of actual variances from expected experience	—	56	(35)	(61)	(40)
Adjusted beginning of year balance	$ —	$ 592	$ 148	$ 1,431	$ 2,171
Issuances	38	78	18	—	134
Interest accrual	—	29	9	73	111
Net premiums collected	(38)	(63)	(20)	(184)	(305)
Derecognition (lapses)	—	—	—	—	—
Ending balance at original discount rate	$ —	$ 636	$ 155	$ 1,320	$ 2,111
Effect of changes in discount rate assumptions	—	141	33	227	401
Balance at December 31, 2021	$ —	$ 777	$ 188	$ 1,547	$ 2,512
Present Value of Future Policy Benefits:					
Balance at January 1, 2021	$ 1,537	$ 1,600	$ 1,006	$ 9,014	$ 13,157
Beginning balance at original discount rate	1,321	1,169	714	6,716	9,920
Effect of changes in cash flow assumptions	—	—	—	(8)	(8)
Effect of actual variances from expected experience	(14)	58	(40)	(124)	(120)
Adjusted beginning of year balance	$ 1,307	$ 1,227	$ 674	$ 6,584	$ 9,792
Issuances	39	78	18	—	135
Interest accrual	53	70	39	347	509
Benefit payments	(168)	(120)	(43)	(336)	(667)
Derecognition (lapses)	—	—	—	—	—
Ending balance at original discount rate	$ 1,231	$ 1,255	$ 688	$ 6,595	$ 9,769
Effect of changes in discount rate assumptions	139	343	226	1,755	2,463
Balance at December 31, 2021	$ 1,370	$ 1,598	$ 914	$ 8,350	$ 12,232
Adjustment due to reserve flooring	$ —	$ 1	$ —	$ —	$ 1
Net liability for future policy benefits	$ 1,370	$ 822	$ 726	$ 6,803	$ 9,721
Less: reinsurance recoverable	1,265	558	25	3,443	5,291
Net liability for future policy benefits, after reinsurance recoverable	$ 105	$ 264	$ 701	$ 3,360	$ 4,430

	Life Contingent Payout Annuities	Term and Whole Life Insurance	Disability Insurance	Long Term Care Insurance	Total, All Products
Discounted expected future gross premiums	$ —	$ 2,005	$ 1,158	$ 1,623	$ 4,786
Expected future gross premiums	$ —	$ 2,815	$ 1,395	$ 1,905	$ 6,115
Expected future benefit payments	$ 1,707	$ 2,159	$ 1,217	$ 11,568	$ 16,651
Weighted average interest accretion rate	4.2 %	6.5 %	5.9 %	5.3 %	
Weighted average discount rate	2.6 %	2.8 %	2.8 %	2.9 %	
Weighted average duration of liability (in years)	7	8	9	10	

Index

	Life Contingent Payout Annuities	Term and Whole Life Insurance	Disability Insurance	Long Term Care Insurance	Total, All Products
	(in millions, except percentages)				
Present Value of Expected Net Premiums:					
Balance at January 1, 2022	$ —	$ 777	$ 188	$ 1,547	$ 2,512
Beginning balance at original discount rate	—	636	155	1,320	2,111
Effect of changes in cash flow assumptions	—	1	1	52	54
Effect of actual variances from expected experience	—	47	(22)	(48)	(23)
Adjusted beginning of year balance	$ —	$ 684	$ 134	$ 1,324	$ 2,142
Issuances	42	57	12	—	111
Interest accrual	—	34	7	65	106
Net premiums collected	(42)	(67)	(16)	(169)	(294)
Derecognition (lapses)	—	—	—	—	—
Ending balance at original discount rate	$ —	$ 708	$ 137	$ 1,220	$ 2,065
Effect of changes in discount rate assumptions	—	(22)	(3)	(13)	(38)
Balance at December 31, 2022	$ —	$ 686	$ 134	$ 1,207	$ 2,027
Present Value of Future Policy Benefits:					
Balance at January 1, 2022	$ 1,370	$ 1,598	$ 914	$ 8,350	$ 12,232
Beginning balance at original discount rate	1,231	1,255	688	6,595	9,769
Effect of changes in cash flow assumptions	—	(8)	1	42	35
Effect of actual variances from expected experience	(13)	52	(28)	(36)	(25)
Adjusted beginning of year balance	$ 1,218	$ 1,299	$ 661	$ 6,601	$ 9,779
Issuances	42	57	12	—	111
Interest accrual	49	73	38	336	496
Benefit payments	(154)	(116)	(42)	(368)	(680)
Derecognition (lapses)	—	—	—	—	—
Ending balance at original discount rate	$ 1,155	$ 1,313	$ 669	$ 6,569	$ 9,706
Effect of changes in discount rate assumptions	(90)	6	27	(130)	(187)
Balance at December 31, 2022	$ 1,065	$ 1,319	$ 696	$ 6,439	$ 9,519
Adjustment due to reserve flooring	$ —	$ 3	$ —	$ —	$ 3
Net liability for future policy benefits	$ 1,065	$ 636	$ 562	$ 5,232	$ 7,495
Less: reinsurance recoverable	949	443	19	2,649	4,060
Net liability for future policy benefits, after reinsurance recoverable	$ 116	$ 193	$ 543	$ 2,583	$ 3,435
Discounted expected future gross premiums	$ —	$ 1,855	$ 926	$ 1,381	$ 4,162
Expected future gross premiums	$ —	$ 3,183	$ 1,331	$ 1,908	$ 6,422

Expected future benefit payments	$ 1,595	$ 2,234	$ 1,169	$ 11,229	$ 16,227
Weighted average interest accretion rate	4.1 %	6.4 %	6.1 %	5.2 %	
Weighted average discount rate	5.2 %	5.5 %	5.4 %	5.4 %	
Weighted average duration of liability (in years)	6	7	8	9	

Index

AMERIPRISE FINANCIAL, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (Continued)

	Life Contingent Payout Annuities	Term and Whole Life Insurance	Disability Insurance	Long Term Care Insurance	Total, All Products
	(in millions, except percentages)				
Present Value of Expected Net Premiums:					
Balance at January 1, 2023	$ —	$ 686	$ 134	$ 1,207	$ 2,027
Beginning balance at original discount rate	—	708	137	1,220	2,065
Effect of changes in cash flow assumptions	—	(19)	(19)	19	(19)
Effect of actual variances from expected experience	—	(5)	(17)	(5)	(27)
Adjusted beginning of year balance	$ —	$ 684	$ 101	$ 1,234	$ 2,019
Issuances	120	42	9	—	171
Interest accrual	1	27	4	44	76
Net premiums collected	(121)	(52)	(9)	(117)	(299)
Derecognition (lapses)	—	—	—	—	—
Ending balance at original discount rate	$ —	$ 701	$ 105	$ 1,161	$ 1,967
Effect of changes in discount rate assumptions	—	(53)	(8)	(50)	(111)
Balance at September 30, 2023	$ —	$ 648	$ 97	$ 1,111	$ 1,856
Present Value of Future Policy Benefits:					
Balance at January 1, 2023	$ 1,065	$ 1,319	$ 696	$ 6,439	$ 9,519
Beginning balance at original discount rate	1,155	1,313	669	6,569	9,706
Effect of changes in cash flow assumptions	—	(18)	(25)	9	(34)
Effect of actual variances from expected experience	(9)	(5)	(25)	5	(34)
Adjusted beginning of year balance	$ 1,146	$ 1,290	$ 619	$ 6,583	$ 9,638
Issuances	120	42	9	—	171
Interest accrual	37	54	28	247	366
Benefit payments	(112)	(96)	(32)	(300)	(540)
Derecognition (lapses)	—	—	—	—	—
Ending balance at original discount rate	$ 1,191	$ 1,290	$ 624	$ 6,530	$ 9,635
Effect of changes in discount rate assumptions	(127)	(58)	(8)	(449)	(642)
Balance at September 30, 2023	$ 1,064	$ 1,232	$ 616	$ 6,081	$ 8,993
Adjustment due to reserve flooring	$ —	$ 5	$ —	$ —	$ 5
Net liability for future policy benefits	$ 1,064	$ 589	$ 519	$ 4,970	$ 7,142
Less: reinsurance recoverable	847	415	19	2,514	3,795
Net liability for future policy benefits, after reinsurance recoverable	$ 217	$ 174	$ 500	$ 2,456	$ 3,347
Discounted expected future gross premiums	$ —	$ 1,654	$ 865	$ 1,287	$ 3,806
Expected future gross premiums	$ —	$ 2,966	$ 1,284	$ 1,833	$ 6,083
Expected future benefit payments	$ 1,670	$ 2,166	$ 1,077	$ 10,961	$ 15,874
Weighted average interest accretion rate	4.2 %	6.2 %	6.1 %	5.1 %	
Weighted average discount rate	5.9 %	6.1 %	6.1 %	6.1 %	

Weighted average duration of liability (in years)	6	7	8	8

The annual review of LTC future policy benefit reserves in the third quarter of 2023 resulted in assumption updates that decreased the net liability for future policy benefits by $9 million, partially offset by a $4 million decrease to reinsurance recoverable, primarily reflecting updates to premium rate increase assumptions. The annual review of LTC future policy benefit reserves in the third quarter

of 2022 resulted in assumption updates that decreased the net liability for future policy benefits by $10 million, partially offset by a $4 million decrease to reinsurance recoverable, primarily reflecting updates to morbidity, premium rate increase and benefit reduction assumptions.

The annual review of disability insurance future policy benefit reserves in the third quarter of 2023 resulted in assumption updates that decreased the net liability for future policy benefits by $6 million, offset by a $1 million decrease to reinsurance recoverable, primarily reflecting updates to claim termination assumptions.

The annual review of term life insurance future policy benefit reserves in the third quarter of 2023 resulted in assumption updates that increased the net liability for future policy benefits by $2 million, offset by a $2 million increase to reinsurance recoverable, reflecting updates to lapse assumptions. The annual review of term life insurance future policy benefit reserves in the third quarter of 2022 resulted in assumption updates that decreased the net liability for future policy benefits $9 million, offset by a $16 million decrease to reinsurance recoverable, reflecting updates to lapse assumptions.

Receivables included $4.0 billion and $4.2 billion of reinsurance recoverables as of September 30, 2023 and December 31, 2022, respectively, including $2.5 billion and $2.7 billion related to LTC risk ceded to Genworth as of September 30, 2023 and December 31, 2022, respectively.

The balances of and changes in additional liabilities related to insurance guarantees were as follows:

	Universal Life Insurance	Variable Universal Life Insurance	Other Life Insurance	Total, All Products
	(in millions, except percentages)			
Balance at January 1, 2023	$ 1,100	$ 74	$ 12	$ 1,186
Interest accrual	26	4	—	30
Benefit accrual	95	6	1	102
Benefit payments	(38)	(12)	(2)	(52)
Effect of actual variances from expected experience	(11)	8	(2)	(5)
Impact of change in net unrealized (gains) losses on securities	(13)	(1)	(1)	(15)
Balance at September 30, 2023	$ 1,159	$ 79	$ 8	$ 1,246
Weighted average interest accretion rate	3.0 %	6.8 %	3.9 %	
Weighted average discount rate	3.2 %	7.1 %	4.0 %	
Weighted average duration of reserves (in years)	10	8	6	

	Universal Life Insurance	Variable Universal Life Insurance	Other Life Insurance	Total, All Products
	(in millions, except percentages)			
Balance at January 1, 2022	$ 1,120	$ 76	$ 46	$ 1,242
Interest accrual	32	5	1	38
Benefit accrual	108	8	—	116
Benefit payments	(43)	(14)	(4)	(61)
Effect of actual variances from expected experience	(19)	2	(2)	(19)
Impact of change in net unrealized (gains) losses on securities	(98)	(3)	(29)	(130)
Balance at December 31, 2022	$ 1,100	$ 74	$ 12	$ 1,186
Weighted average interest accretion rate	2.9 %	7.0 %	4.1 %	
Weighted average discount rate	3.2 %	7.1 %	4.0 %	
Weighted average duration of reserves (in years)	10	8	6	

	Account Values with Crediting Rates

	Range of Guaranteed Minimum Crediting Rates	At Guaranteed Minimum	1-49 bps above Guaranteed Minimum	50-99 bps above Guaranteed Minimum	100-150 bps above Guaranteed Minimum	Greater than 150 bps above Guaranteed Minimum	Total
		(in millions, except percentages)					
Other life insurance	1 % – 1.99%	$ —	$ —	$ —	$ —	$ —	$ —
	2 % – 2.99%	—	—	—	—	—	—
	3 % – 3.99%	30	—	—	—	—	30
	4 % – 5.00%	295	—	—	—	—	295
	Total	$ 325	$ —	$ —	$ —	$ —	$ 325
Total	1 % – 1.99%	$ 151	$ 530	$ 255	$ 123	$ 26	$ 1,085
	2 % – 2.99%	376	30	10	1	8	425
	3 % – 3.99%	6,036	4	7	11	—	6,058
	4 % – 5.00%	5,273	7	—	—	—	5,280
	Total	$ 11,836	$ 571	$ 272	$ 135	$ 34	$ 12,848
Percentage of total account values that reset in:							
Next 12 months		99.9 %	99.5 %	99.3 %	100.0 %	100.0 %	99.9 %
> 12 months to 24 months		0.1	0.5	0.6	—	—	0.1
> 24 months		—	—	0.1	—	—	—
Total		100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %

The amount of revenue and interest recognized in the Statement of Operations was as follows:

	Nine Months Ended September 30,	
	2023	
	Gross Premiums	Interest Expense
	(in millions)	
Life contingent payout annuities	$ 134	$ 36
Term and whole life insurance	126	27
Disability insurance	93	24
Long term care insurance	137	203
Total	$ 490	$ 290

	Years Ended December 31,			
	2022		2021	
	Gross Premiums	Interest Expense	Gross Premiums	Interest Expense
	(in millions)			
Life contingent payout annuities	$ 45	$ 49	$ 39	$ 53
Term and whole life insurance	169	39	166	41
Disability insurance	127	31	131	30
Long term care insurance	189	271	192	274
Total	$ 530	$ 390	$ 528	$ 398

The following tables summarize the balances of and changes in unearned revenue, including the January 1, 2021 adoption of ASU 2018-12: liability for future policy benefits:

	Universal Life Insurance	Variable Universal Life Insurance	Indexed Universal Life Insurance	Total, All Products
	(in millions)			
Pre-adoption balance at December 31, 2020	$ 19	$ 76	$ —	$ 95
Effect of shadow reserve adjustments	5	10	153	168

Post-adoption balance at January 1, 2021	24	86	153	263
Deferral of revenue	3	34	55	92
Amortization	(1)	(8)	(13)	(22)
Balance at December 31, 2021	$ 26	$ 112	$ 195	$ 333
Balance at January 1, 2022	$ 26	$ 112	$ 195	$ 333
Deferral of revenue	2	48	54	104
Amortization	(1)	(10)	(16)	(27)
Balance at December 31, 2022	$ 27	$ 150	$ 233	$ 410
Balance at January 1, 2023	$ 27	$ 150	$ 233	$ 410
Deferral of revenue	1	44	39	84
Amortization	(1)	(10)	(14)	(25)
Balance at September 30, 2023	$ 27	$ 184	$ 258	$ 469

	Life Contingent Payout Annuities	Term and Whole Life Insurance	Disability Income Insurance	Long Term Care Insurance	Total, All Products
	(in millions, except percentages)				
Present Value of Expected Net Premiums:					
Balance at January 1, 2024	$ —	$ 703	$ 104	$ 1,146	$ 1,953
Beginning balance at original discount rate	—	708	105	1,137	1,950
Effect of changes in cash flow assumptions	—	—	—	—	—
Effect of actual variances from expected experience	—	(2)	(4)	(3)	(9)
Adjusted beginning of year balance	$ —	$ 706	$ 101	$ 1,134	$ 1,941
Issuances	60	16	2	—	78
Interest accrual	—	9	1	14	24
Net premiums collected	(60)	(18)	(2)	(37)	(117)
Derecognition (lapses)	—	—	—	—	—
Ending balance at original discount rate	$ —	$ 713	$ 102	$ 1,111	$ 1,926
Effect of changes in discount rate assumptions	—	(18)	(3)	(6)	(27)
Balance at March 31, 2024	$ —	$ 695	$ 99	$ 1,105	$ 1,899
Present Value of Future Policy Benefits:					
Balance at January 1, 2024	$ 1,164	$ 1,325	$ 661	$ 6,561	$ 9,711
Beginning balance at original discount rate	1,222	1,291	621	6,507	9,641
Effect of changes in cash flow assumptions	—	—	—	—	—
Effect of actual variances from expected experience	(2)	(2)	(6)	(6)	(16)
Adjusted beginning of year balance	$ 1,220	$ 1,289	$ 615	$ 6,501	$ 9,625
Issuances	60	16	2	—	78
Interest accrual	14	18	9	81	122
Benefit payments	(39)	(34)	(10)	(104)	(187)
Derecognition (lapses)	—	—	—	—	—
Ending balance at original discount rate	$ 1,255	$ 1,289	$ 616	$ 6,478	$ 9,638
Effect of changes in discount rate assumptions	(75)	6	26	(83)	(126)
Balance at March 31, 2024	$ 1,180	$ 1,295	$ 642	$ 6,395	$ 9,512
Adjustment due to reserve flooring	$ —	$ 6	$ —	$ —	$ 6
Net liability for future policy benefits	$ 1,180	$ 606	$ 543	$ 5,290	$ 7,619
Less: reinsurance recoverable	845	428	21	2,675	3,969
Net liability for future policy benefits, after reinsurance recoverable	$ 335	$ 178	$ 522	$ 2,615	$ 3,650

Discounted expected future gross premiums	$ —	$ 1,713	$ 879	$ 1,279	$ 3,871
Expected future gross premiums	$ —	$ 2,909	$ 1,250	$ 1,740	$ 5,899
Expected future benefit payments	$ 1,786	$ 2,163	$ 1,054	$ 10,741	$ 15,744
Weighted average interest accretion rate	4.4 %	6.3 %	6.3 %	5.1 %	
Weighted average discount rate	5.2 %	5.3 %	5.4 %	5.4 %	
Weighted average duration of liability (in years)	7	7	8	8	

10.

	Life Contingent Payout Annuities	Term and Whole Life Insurance	Disability Income Insurance	Long Term Care Insurance	Total, All Products
	(in millions, except percentages)				
Present Value of Expected Net Premiums:					
Balance at January 1, 2023	$ —	$ 686	$ 134	$ 1,207	$ 2,027
Beginning balance at original discount rate	—	708	137	1,220	2,065
Effect of changes in cash flow assumptions	—	(19)	(19)	19	(19)
Effect of actual variances from expected experience	—	(2)	(18)	(3)	(23)
Adjusted beginning of year balance	$ —	$ 687	$ 100	$ 1,236	$ 2,023
Issuances	177	55	12	—	244
Interest accrual	1	36	5	59	101
Net premiums collected	(178)	(70)	(12)	(158)	(418)
Derecognition (lapses)	—	—	—	—	—
Ending balance at original discount rate	$ —	$ 708	$ 105	$ 1,137	$ 1,950
Effect of changes in discount rate assumptions	—	(5)	(1)	9	3
Balance at December 31, 2023	$ —	$ 703	$ 104	$ 1,146	$ 1,953
Present Value of Future Policy Benefits:					
Balance at January 1, 2023	$ 1,065	$ 1,319	$ 696	$ 6,439	$ 9,519
Beginning balance at original discount rate	1,155	1,313	669	6,569	9,706
Effect of changes in cash flow assumptions	—	(18)	(25)	9	(34)
Effect of actual variances from expected experience	(10)	(1)	(29)	5	(35)
Adjusted beginning of year balance	$ 1,145	$ 1,294	$ 615	$ 6,583	$ 9,637
Issuances	177	56	11	—	244
Interest accrual	50	73	37	329	489
Benefit payments	(150)	(132)	(42)	(405)	(729)
Derecognition (lapses)	—	—	—	—	—
Ending balance at original discount rate	$ 1,222	$ 1,291	$ 621	$ 6,507	$ 9,641
Effect of changes in discount rate assumptions	(58)	34	40	54	70
Balance at December 31, 2023	$ 1,164	$ 1,325	$ 661	$ 6,561	$ 9,711
Adjustment due to reserve flooring	$ —	$ 5	$ —	$ —	$ 5
Net liability for future policy benefits	$ 1,164	$ 627	$ 557	$ 5,415	$ 7,763
Less: reinsurance recoverable	880	440	22	2,738	4,080
Net liability for future policy benefits, after reinsurance recoverable	$ 284	$ 187	$ 535	$ 2,677	$ 3,683
Discounted expected future gross premiums	$ —	$ 1,764	$ 904	$ 1,325	$ 3,993

Expected future gross premiums	$ —	$ 2,938	$ 1,269	$ 1,786	$ 5,993
Expected future benefit payments	$ 1,726	$ 2,166	$ 1,068	$ 10,850	$ 15,810
Weighted average interest accretion rate	4.2 %	6.2 %	6.1 %	5.0 %	
Weighted average discount rate	4.9 %	5.1 %	5.1 %	5.1 %	
Weighted average duration of liability (in years)	7	7	8	8	

Impacts of the annual review of policy benefit reserves assumptions are reflected within the effect of changes in cash flow assumptions in the disaggregated rollforwards above. The annual review of policy benefit reserves assumptions in the third quarter of 2023 resulted in a net decrease in future policy benefit reserves, primarily due to updates to LTC premium rate increase assumptions.

The balances of and changes in additional liabilities related to insurance guarantees were as follows:

	Universal Life Insurance	Variable Universal Life Insurance	Other Life Insurance	Total, All Products
	(in millions, except percentages)			
Balance at January 1, 2024	$ 1,225	$ 81	$ 15	$ 1,321
Interest accrual	9	1	—	10
Benefit accrual	33	2	1	36
Benefit payments	(13)	(3)	(1)	(17)
Effect of actual variances from expected experience	(3)	—	—	(3)
Impact of change in net unrealized (gains) losses on securities	(9)	—	(2)	(11)
Balance at March 31, 2024	$ 1,242	$ 81	$ 13	$ 1,336
Weighted average interest accretion rate	3.0 %	7.1 %	3.9 %	
Weighted average discount rate	3.2 %	7.1 %	4.0 %	
Weighted average duration of reserves (in years)	10	8	6	

	Universal Life Insurance	Variable Universal Life Insurance	Other Life Insurance	Total, All Products
	(in millions, except percentages)			
Balance at January 1, 2023	$ 1,100	$ 74	$ 12	$ 1,186
Interest accrual	35	5	1	41
Benefit accrual	128	8	2	138
Benefit payments	(50)	(18)	(4)	(72)
Effect of actual variances from expected experience	(13)	11	(2)	(4)
Impact of change in net unrealized (gains) losses on securities	25	1	6	32
Balance at December 31, 2023	$ 1,225	$ 81	$ 15	$ 1,321
Weighted average interest accretion rate	3.0 %	6.9 %	4.0 %	
Weighted average discount rate	3.2 %	7.1 %	4.0 %	
Weighted average duration of reserves (in years)	10	8	6	

The amount of revenue and interest recognized in the Statements of Operations was as follows:

	Three Months Ended March 31, 2024	
	Gross Premiums	Interest Expense
	(in millions)	
Life contingent payout annuities	$ 66	$ 14

Term and whole life insurance	42	9
Disability income insurance	30	8
Long term care insurance	44	67
Total	$ 182	$ 98

[Index](#)

	Year Ended December 31, 2023	
	Gross Premiums	Interest Expense
	(in millions)	
Life contingent payout annuities	$ 196	$ 49
Term and whole life insurance	169	37
Disability income insurance	124	32
Long term care insurance	185	270
Total	$ 674	$ 388

The following tables summarize the balances of and changes in unearned revenue:

	Universal Life Insurance	Variable Universal Life Insurance	Indexed Universal Life Insurance	Total, All Products
	(in millions)			
Balance at January 1, 2024	$ 27	$ 196	$ 266	$ 489
Deferral of revenue	—	16	13	29
Amortization	—	(4)	(5)	(9)
Balance at March 31, 2024	$ 27	$ 208	$ 274	$ 509
Balance at January 1, 2023	$ 27	$ 150	$ 233	$ 410
Deferral of revenue	1	59	52	112
Amortization	(1)	(13)	(19)	(33)
Balance at December 31, 2023	$ 27	$ 196	$ 266	$ 489

9. Separate Account Assets and Liabilities

Aggregate fair value of separate account assets, by major asset category, consisted of the following:

	September 30, 2023	December 31, 2022
	(in millions)	
Mutual funds	$69,592	$70,876

March 31, 2024	March 31, 2024	December 31, 2023
	(in millions)	
Variable annuities and variable universal life:		
Mutual funds		
Mutual funds		
Mutual funds		
Unitized pooled pension funds:		
Property/real estate		
Property/real estate		

Property/real estate	Property/real estate	1,804	1,876
Equity securities	Equity securities	518	679
Debt securities	Debt securities	276	279
Cash and cash equivalents	Cash and cash equivalents	120	208
Other	Other	44	44
Total	Total	$72,354	$73,962

[Index](#)

The balances of and changes in separate account liabilities were as follows:

		Variable Annuities	Variable Universal Life	Threadneedle Investment Liabilities	Total
		(in millions)			
Balance at January 1, 2023		$63,223	$7,653	$ 3,086	$73,962
	Variable Annuities	Variable Annuities	Variable Universal Life	Unitized Pooled Pension Funds	Total
		(in millions)			
Balance at January 1, 2024					
Premiums and deposits	Premiums and deposits	645	337	171	1,153
Policy charges	Policy charges	(1,002)	(218)	(5)	(1,225)
Surrenders and other benefits	Surrenders and other benefits	(3,925)	(238)	(635)	(4,798)
Investment return	Investment return	2,636	440	110	3,186
Investment return					
Investment return					
Net transfer from (to) general account	Net transfer from (to) general account	18	23	—	41
Other charges	Other charges	—	—	35	35
Balance at September 30, 2023		$61,595	$7,997	$ 2,762	$72,354
Balance at March 31, 2024					
Cash surrender value	Cash surrender value	$60,001	$7,497	$ 2,762	$70,260
Cash surrender value					

Cash surrender value

		Variable Annuities	Variable Universal Life	Threadneedle Investment Liabilities	Total
		(in millions)			
Balance at January 1, 2022		$82,862	$9,376	$ 5,253	$97,491
Variable Annuities		Variable Annuities	Variable Universal Life	Unitized Pooled Pension Funds	Total
		(in millions)			
Balance at January 1, 2023					
Premiums and deposits	Premiums and deposits	1,067	425	252	1,744
Policy charges	Policy charges	(1,396)	(278)	(11)	(1,685)
Surrenders and other benefits	Surrenders and other benefits	(4,923)	(286)	(1,548)	(6,757)
Investment return	Investment return	(14,450)	(1,654)	(273)	(16,377)
Investment return					
Investment return					
Net transfer from (to) general account	Net transfer from (to) general account	63	70	—	133
Other charges	Other charges	—	—	(587)	(587)
Balance at December 31, 2022		$63,223	$7,653	$ 3,086	$73,962
Balance at December 31, 2023					
Cash surrender value	Cash surrender value	$61,461	$7,200	$ 3,086	$71,747
Cash surrender value					
Cash surrender value					

11. 10. Market Risk Benefits

Market risk benefits are contracts or contract features that both provide protection to the contractholder from other-than-nominal capital market risk and expose the Company to other-than-nominal capital market risk. Most of the variable annuity contracts issued by the Company contain a GMDB provision. The Company previously offered contracts containing GMWB, GMAB, or GMIB provisions.

The GMDB provisions provide a specified minimum return upon death of the contractholder. The death benefit payable is the greater of (i) the contract value less any purchase payment credits subject to recapture less a pro-rata portion of any rider fees, or (ii) the GMDB provisions specified in the contract. The Company has the following primary GMDB provisions:

- Return of premium — provides purchase payments minus adjusted partial surrenders.
- Reset — provides that the value resets to the account value at specified contract anniversary intervals minus adjusted partial surrenders. This provision was often provided in combination with the return of premium provision and is no longer offered.

- Ratchet — provides that the value ratchets up to the maximum account value at specified anniversary intervals, plus subsequent purchase payments less adjusted partial surrenders.

The variable annuity contracts with GMWB riders typically have account values that are based on an underlying portfolio of mutual funds, the values of which fluctuate based on fund performance. At contract issue, the guaranteed amount is equal to the amount deposited but the guarantee may be increased annually to the account value (a “step-up”) in the case of favorable market performance or by a benefit credit if the contract includes this provision.

The Company has GMWB riders in force, which contain one or more of the following provisions:

- Withdrawals at a specified rate per year until the amount withdrawn is equal to the guaranteed amount.
- Withdrawals at a specified rate per year for the life of the contractholder (“GMWB for life”).
- Withdrawals at a specified rate per year for joint contractholders while either is alive.
- Withdrawals based on performance of the contract.
- Withdrawals based on the age withdrawals begin.
- Credits are applied annually for a specified number of years to increase the guaranteed amount as long as withdrawals have not been taken.

Variable annuity contractholders age 79 or younger at contract issue could obtain a principal-back guarantee by purchasing the optional GMAB rider for an additional charge. The GMAB rider guarantees that, regardless of market performance at the end of the 10-year waiting period, the contract value will be no less than the original investment or a specified percentage of the highest anniversary value, adjusted for withdrawals. If the contract value is less than the guarantee at the end of the 10-year period, a lump sum will be added to the contract value to make the contract value equal to the guarantee value.

Individual variable annuity contracts may have both a death benefit and a living benefit. Net amount at risk is quantified for each benefit and a composite net amount at risk is calculated using the greater of the death benefit or living benefit for each individual contract. The net amount at risk for GMDB and GMAB is defined as the current guaranteed benefit amount in excess of the current contract value. The net amount at risk for GMIB is defined as the greater of the present value of the minimum guaranteed annuity payments less the current contract value or zero. The net amount at risk for GMWB is defined as the greater of the present value of the minimum guaranteed withdrawal payments less the current contract value or zero.

The following tables summarize the balances of and changes in market risk benefits, including the January 1, 2021 adoption of ASU 2018-12: benefits:

		(in millions)
Pre-adoption balance at December 31, 2020	$	3,084
Effect of shadow reserve adjustments		(3)
Adjustments for the cumulative effect of the changes in instrument-specific credit risk on market risk benefits between the original contract issuance date and the transition date		670
Adjustments to the host contract for differences between previous carrying amount and fair value measurement for the market risk benefits under the option-based method of valuation		20
Adjustments for the remaining difference (exclusive of the instrument-specific credit risk change and host contract adjustments) between previous carrying amount and fair value measurements for the market risk benefits		1,058
Post-adoption balance at January 1, 2021	$	4,829

	Three Months Ended March 31,	
	2024	2023
	(in millions, except age)	
Balance at beginning of period	$ 335	$ 1,103
Issuances	5	4
Interest accrual and time decay	(10)	(26)
Reserve increase from attributed fees collected	184	189
Reserve release for benefit payments and derecognition	(4)	(9)
Effect of changes in interest rates and bond markets	(527)	504
Effect of changes in equity markets and subaccount performance	(730)	(392)
Effect of changes in equity index volatility	39	(43)
Actual policyholder behavior different from expected behavior	31	7
Effect of changes in the instrument-specific credit risk on market risk benefits	48	(204)
Balance at end of period	$ (629)	$ 1,133
Reconciliation of the gross balances in an asset or liability position:		
Asset position	$ 1,964	$ 990
Liability position	(1,335)	(2,123)

Net asset (liability) position	$ 629	$ (1,133)
Guaranteed benefit amount in excess of current account balances (net amount at risk):		
Death benefits	$ 578	$ 1,956
Living benefits	$ 2,233	$ 2,836
Composite (greater of)	$ 2,735	$ 4,596
Weighted average attained age of contractholders	69	68
Changes in unrealized (gains) losses in net income relating to liabilities held at end of period	$ (1,202)	$ 59
Changes in unrealized (gains) losses in other comprehensive income relating to liabilities held at end of period	$ 48	$ (204)

[Index]

	Years Ended December 31,	
	2022	2021
	(in millions, except age)	
Balance at beginning of period	$ 2,901	$ 4,829
Issuances	27	45
Interest accrual and time decay	(237)	(294)
Reserve increase from attributed fees collected	810	819
Reserve release for benefit payments and derecognition	(29)	(8)
Effect of changes in interest rates and bond markets	(4,193)	(1,053)
Effect of changes in equity markets and subaccount performance	2,258	(1,558)
Effect of changes in equity index volatility	205	73
Actual policyholder behavior different from expected behavior	17	52
Effect of changes in other future expected assumptions	(139)	123
Effect of changes in the instrument-specific credit risk on market risk benefits	(517)	(127)
Balance at end of period	$ 1,103	$ 2,901
Reconciliation of the gross balances in an asset or liability position:		
Asset position	$ 1,015	$ 539
Liability position	(2,118)	(3,440)
Net asset (liability) position	$ (1,103)	$ (2,901)
Guaranteed benefit amount in excess of current account balances (net amount at risk):		
Death benefits	$ 2,781	$ 251
Living benefits	$ 3,364	$ 195
Composite (greater of)	$ 5,830	$ 441
Weighted average attained age of contractholders	68	68
Changes in unrealized (gains) losses in net income relating to liabilities held at end of period	$ (2,044)	$ (2,502)
Changes in unrealized (gains) losses in other comprehensive income relating to liabilities held at end of period	$ (505)	$ (102)

[Index]

AMERIPRISE FINANCIAL, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (Continued)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
	(in millions, except age)			

Balance at beginning of period	$ 360	$ 1,937	$ 1,103	$ 2,901
Issuances	5	6	13	22
Interest accrual and time decay	(15)	(38)	(36)	(175)
Reserve increase from attributed fees collected	202	206	585	605
Reserve release for benefit payments and derecognition	(6)	(6)	(24)	(15)
Effect of changes in interest rates and bond markets	(1,241)	(1,147)	(1,325)	(3,949)
Effect of changes in equity markets and subaccount performance	500	643	(402)	2,943
Effect of changes in equity index volatility	(13)	47	(83)	123
Actual policyholder behavior different from expected behavior	(16)	(21)	(10)	11
Effect of changes in other future expected assumptions	128	(139)	128	(139)
Effect of changes in the instrument-specific credit risk on market risk benefits	(23)	4	(68)	(835)
Balance at end of period	$ (119)	$ 1,492	$ (119)	$ 1,492
Reconciliation of the gross balances in an asset or liability position:				
Asset position	$ 1,644	$ 845	$ 1,644	$ 845
Liability position	(1,525)	(2,337)	(1,525)	(2,337)
Net asset (liability) position	$ 119	$ (1,492)	$ 119	$ (1,492)
Guaranteed benefit amount in excess of current account balances (net amount at risk):				
Death benefits	$ 2,091	$ 3,987	$ 2,091	$ 3,987
Living benefits	$ 3,693	$ 3,354	$ 3,693	$ 3,354
Composite (greater of)	$ 5,470	$ 6,905	$ 5,470	$ 6,905
Weighted average attained age of contractholders	69	68	69	68
Changes in unrealized (gains) losses in net income relating to liabilities held at end of period	$ (650)	$ (649)	$ (1,681)	$ (1,151)
Changes in unrealized (gains) losses in other comprehensive income relating to liabilities held at end of period	$ (23)	$ 2	$ (67)	$ (826)

		Year Ended December 31, 2023
		(in millions, except age)
Balance at beginning of period	$	1,103
Issuances		17
Interest accrual and time decay		(53)
Reserve increase from attributed fees collected		788
Reserve release for benefit payments and derecognition		(35)
Effect of changes in interest rates and bond markets		(367)
Effect of changes in equity markets and subaccount performance		(1,267)
Effect of changes in equity index volatility		(67)
Actual policyholder behavior different from expected behavior		5
Effect of changes in other future expected assumptions		128
Effect of changes in the instrument-specific credit risk on market risk benefits		83
Balance at end of period	$	335
Reconciliation of the gross balances in an asset or liability position:		
Asset position	$	1,427
Liability position		(1,762)
Net asset (liability) position	$	(335)
Guaranteed benefit amount in excess of current account balances (net amount at risk):		
Death benefits	$	913
Living benefits	$	2,513
Composite (greater of)	$	3,308
Weighted average attained age of contractholders		69
Changes in unrealized (gains) losses in net income relating to liabilities held at end of period	$	(1,551)
Changes in unrealized (gains) losses in other comprehensive income relating to liabilities held at end of period	$	84

The following tables provide a summary of the significant inputs and assumptions used in the fair value measurements developed by the Company or reasonably available to the Company of market risk benefits:

	September 30, 2023								
	Fair Value		Valuation Technique	Significant Inputs and Assumptions	Range			Weighted Average
	(in millions)							
Market risk benefits	$	(119)	Discounted cash flow	Utilization of guaranteed withdrawals (1)	0.0%	–	48.0%	11.5%
				Surrender rate (2)	0.3%	–	75.0%	3.6%
				Market volatility (3)	0.0%	–	25.2%	10.8%
				Nonperformance risk (4)		105 bps		105 bps
				Mortality rate (5)	0.0%	–	41.6%	1.6%

	March 31, 2024							
	Fair Value		Valuation Technique	Significant Inputs and Assumptions	Range			Weighted Average
	(in millions)							
Market risk benefits	$	(629)	Discounted cash flow	Utilization of guaranteed withdrawals (1)	0.0%	–	48.0%	11.6%
				Surrender rate (2)	0.3%	–	75.0%	3.6%
				Market volatility (3)	0.0%	–	25.2%	10.5%
				Nonperformance risk (4)		75 bps		75 bps
				Mortality rate (5)	0.0%	–	41.6%	1.6%

	December 31, 2023						
	Fair Value	Valuation Technique	Significant Inputs and Assumptions	Range			Weighted Average
	(in millions)						
Market risk benefits	$ 335	Discounted cash flow	Utilization of guaranteed withdrawals (1)	0.0%	–	48.0%	11.6%
			Surrender rate (2)	0.3%	–	75.0%	3.7%
			Market volatility (3)	0.0%	–	25.2%	10.6%
			Nonperformance risk (4)		85 bps		85 bps
			Mortality rate (5)	0.0%	–	41.6%	1.6%

	December 31, 2022						
	Fair Value	Valuation Technique	Significant Inputs and Assumptions	Range			Weighted Average
	(in millions)						
Market risk benefits	$ 1,103	Discounted cash flow	Utilization of guaranteed withdrawals (1)	0.0%	–	48.0%	11.0%
			Surrender rate (2)	0.2%	–	45.6%	3.6%
			Market volatility (3)	0.0%	–	26.6%	12.1%
			Nonperformance risk (4)		95 bps		95 bps
			Mortality rate (5)	0.0%	–	41.6%	1.5%

(1) The utilization of guaranteed withdrawals represents the percentage of contractholders that will begin withdrawing in any given year. The weighted average utilization rate represents the average assumption, weighted based on the benefit base. The calculation excludes policies that have already started taking withdrawals.

(2) The weighted average surrender rate represents the average assumption weighted based on the account value of each contract.

(3) Market volatility represents the implied volatility of each contractholder's mix of funds. The weighted average market volatility represents the average volatility across all contracts, weighted by the size of the guaranteed benefit.

(4) The nonperformance risk is the spread added to the U.S. Treasury curve.

(5) The weighted average mortality rate represents the average assumption weighted based on the account value of each contract.

Changes to Significant Inputs and Assumptions:

During the nine months ended September 30, 2023 and year ended December 31, 2022 December 31, 2023, the Company updated inputs and assumptions based on management's review of experience studies. These updates resulted in the following notable changes in the fair value estimates of market risk benefits calculations:

Nine months Year ended September 30, 2023 December 31, 2023

- Updates to utilization of guaranteed withdrawals assumptions resulted in a decrease to pre-tax income of $18 million.
- Updates to surrender assumptions resulted in a decrease to pre-tax income of $110 million.

Year ended December 31, 2022

- Updates to utilization of guaranteed withdrawals assumptions resulted in a decrease to pre-tax income of $39 million.
- Updates to surrender assumptions resulted in a decrease to pre-tax income of $200 million.
- Updates to mortality assumptions resulted in a decrease to pre-tax income of $49 million.

Refer to the rollforward of market risk benefits for the impacts of changes to interest rate, equity market, volatility and nonperformance risk assumptions.

Uncertainty of Fair Value Measurements

Significant increases (decreases) in utilization and volatility used in the fair value measurement of market risk benefits in isolation would have resulted in a significantly higher (lower) liability value.

Significant increases (decreases) in nonperformance risk and surrender assumptions used in the fair value measurement of market risk benefits in isolation would have resulted in a significantly lower (higher) liability value.

Significant increases (decreases) in mortality assumptions used in the fair value measurement of the death benefit portion of market risk benefits in isolation would have resulted in a significantly higher (lower) liability value whereas significant increases (decreases) in mortality rates used in the fair values value measurement of the life contingent portion of market risk benefits in isolation would have resulted in a significantly lower (higher) liability value.

Surrender assumptions, utilization assumptions and mortality assumptions vary with the type of base product, type of rider, duration of the policy, age of the contractholder, calendar year of the projection, previous withdrawal history, and the relationship between the value of the guaranteed benefit and the contract accumulation value.

Determination of Fair Value

The Company values market risk benefits using internal valuation models. These models include observable capital market assumptions and significant unobservable inputs related to implied volatility, as well as contractholder behavior assumptions that include margins for risk, all of which the Company believes a market participant would expect. The fair value also reflects a current estimate of and the Company's nonperformance risk. Given the significant unobservable inputs to this valuation, these These measurements are classified as Level 3.

[Index](#)

12. 11. Debt

The balances and stated interest rates of outstanding debt of Ameriprise Financial were as follows:

		Outstanding Balance		Stated Interest Rate		Outstanding Balance			Stated Interest Rate		
		September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022	March 31, 2024			December 31, 2023	March 31, 2024	December 31, 2023
		(in millions)				(in millions)					
Long-term debt:	Long-term debt:										
Senior notes due 2023		$ 750	$ 750	4.0 %	4.0 %						
Senior notes due 2024											
Senior notes due 2024											
Senior notes due 2024	Senior notes due 2024	550	550	3.7	3.7	$ 550	$	$ 550	3.7	3.7 %	3.7 %
Senior notes due 2025	Senior notes due 2025	500	500	3.0	3.0						
Senior notes due 2026	Senior notes due 2026	500	500	2.9	2.9						
Senior notes due 2028											
Senior notes due 2032	Senior notes due 2032	500	500	4.5	4.5						
Senior notes due 2033	Senior notes due 2033	750	—	5.2	—						
Finance lease liabilities											
Finance lease liabilities											
Finance lease liabilities	Finance lease liabilities	22	30	N/A	N/A	17	20	20	N/A		N/A
Other (1)	Other (1)	(15)	(9)	N/A	N/A	Other (1) (19)	(21)	(21)	N/A		N/A
Total long-term debt	Total long-term debt	3,557	2,821								
Short-term borrowings:	Short-term borrowings:										
Short-term borrowings:											
Short-term borrowings:											

Federal Home Loan Bank (“FHLB”) advances												
Federal Home Loan Bank (“FHLB”) advances												
Federal Home Loan Bank (“FHLB”) advances	Federal Home Loan Bank (“FHLB”) advances	201	201	5.5 %	4.6 %		201	201	201	5.5	5.5 %	5.6 %
Total	Total	$ 3,758	$ 3,022			Total	$ 3,599	$	$ 3,600			

(1) Includes adjustments for net unamortized discounts, debt issuance costs and other lease obligations.

N/A Not Applicable

Long-Term Debt

The Company’s senior notes may be redeemed, in whole or in part, at any time prior to maturity at a price equal to the greater of the principal amount and the present value of remaining scheduled payments, discounted to the redemption date, plus accrued interest.

On March 9, 2023, the Company issued $750 million of 5.15% unsecured senior notes due May 15, 2033 and incurred debt issuance costs of $7 million. Interest payments are due semi-annually in arrears on May 15 and November 15, which commences on November 15, 2023.

On October 16, 2023, the Company repaid $750 million principal amount of its 4.0% senior notes at maturity.

Short-Term Borrowings

The Company’s life insurance and bank subsidiaries are members of the FHLB of Des Moines which provides access to collateralized borrowings. As of September 30, 2023 and December 31, 2022, the The Company’s life insurance subsidiary had has accessed collateralized borrowings from the FHLB and has pledged (granted a lien on) certain investments as collateral, primarily commercial mortgage backed securities, with an aggregate fair value of $994 million $1.1 billion as of both March 31, 2024 and $962 million, respectively. December 31, 2023. The remaining maturity of outstanding FHLB advances was less than three months as of both September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023. The stated interest rate of the FHLB advances is a weighted average annualized interest rate on the outstanding borrowings as of the balance sheet date.

The Company’s bank subsidiary had no outstanding obligations to the FHLB as of both September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023. The Company’s bank subsidiary maintains access to collateralized borrowings from the Federal Reserve. As of both September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, there were no outstanding obligations to the Federal Reserve.

In June 2021, the Company entered into an amended and restated credit agreement that provides for an unsecured revolving credit facility of up to $1.0 billion that expires in June 2026. Under the terms of the agreement for the facility, the Company may increase the amount of this facility up to $1.25 billion upon satisfaction of certain approval requirements. Prior to June 21, 2023, the The interest rate for any borrowing under the agreement was established by reference to London Interbank Offered Rate (“LIBOR”) for U.S. dollar deposits with maturities comparable to the relevant interest period, plus an applicable margin subject to adjustment based on debt ratings of the senior unsecured debt of the Company with an integrated hardwired approach to a fallback interest rate with certain hardwired credit spread adjustments. On June 21, 2023, in anticipation of the end of the publication of U.S. dollar LIBOR, an amendment to the agreement changed the interest rate from LIBOR for U.S. dollars to is a Spread Adjusted Term Secured Overnight Financing Rate (“SOFR”), which is defined as Term SOFR for an interest period selected by the Company plus a credit spread adjustment of 0.10%, plus an applicable margin subject to adjustment based on debt ratings of the senior unsecured debt of the Company. In the event of default, an additional 2% interest will accrue during such period of default. As of both September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, the Company had no borrowings outstanding and $1 million of letters of credit issued against the facility. The

Company’s credit facility contains various administrative, reporting, legal and financial covenants. The Company was in compliance with all such covenants as of both September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023.

American Enterprise Investment Services, Inc. (“AEIS”), a subsidiary of the Company, has credit agreements for uncommitted lines of credit with third party financial institutions, having a combined credit limit of $500 million. As of both September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, AEIS had no borrowings outstanding.

13.

12. Fair Values of Assets and Liabilities

GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; that is, an exit price. The exit price assumes the asset or liability is not exchanged subject to a forced liquidation or distressed sale.

Valuation Hierarchy

The Company categorizes its fair value measurements according to a three-level hierarchy. The hierarchy prioritizes the inputs used by the Company's valuation techniques. A level is assigned to each fair value measurement based on the lowest level input that is significant to the fair value measurement in its entirety.

The three levels of the fair value hierarchy are defined as follows:

Level 1 Unadjusted quoted prices for identical assets or liabilities in active markets that are accessible at the measurement date.
Level 2 Prices or valuations based on observable inputs other than quoted prices in active markets for identical assets and liabilities.
Level 3 Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

Index

The following tables present the balances of assets and liabilities of Ameriprise Financial measured at fair value on a recurring basis (See Note 54 for the balances of assets and liabilities for consolidated investment entities):

		September 30, 2023					March 31, 2024					
		Level 1	Level 2	Level 3	Total		Level 1	Level 2		Level 3		
		(in millions)										
Assets	**Assets**											
Cash equivalents	Cash equivalents	$ 790	$ 3,997	$ —	$ 4,787							
Cash equivalents												
Cash equivalents							$ 740	$ 3,800		$ —		
Available-for-Sale securities:	Available-for-Sale securities:											
Corporate debt securities												
Corporate debt securities												
Corporate debt securities	Corporate debt securities	—	10,826	461	11,287		—	12,349	12,349	505	505	12,854
Residential mortgage backed securities	Residential mortgage backed securities	—	19,289	—	19,289	Residential mortgage backed securities	—	21,417	21,417	25	25	21,442
Commercial mortgage backed securities	Commercial mortgage backed securities	—	6,041	—	6,041	Commercial mortgage backed securities	—	6,023	6,023	—	—	6,023
Asset backed securities	Asset backed securities	—	8,296	3	8,299	Asset backed securities	—	8,155	8,155	1	1	8,156
State and municipal obligations	State and municipal obligations	—	729	—	729	State and municipal obligations	—	758	758	—	—	758
U.S. government and agency obligations	U.S. government and agency obligations	2,366	100	—	2,466	U.S. government and agency obligations	2,982	—	—	—	—	2,982
Foreign government bonds and obligations	Foreign government bonds and obligations	—	17	—	17	Foreign government bonds and obligations	—	18	18	—	—	18
Other securities	Other securities	—	65	—	65							
Total Available-for-Sale securities	Total Available-for-Sale securities	2,366	45,363	464	48,193							
Total Available-for-Sale securities												

Total Available-for-Sale securities								2,982		48,733		531	
Investments at net asset value (“NAV”)													
Investments at net asset value (“NAV”)													
Investments at net asset value (“NAV”)	Investments at net asset value (“NAV”)				10	(1)							
Trading and other securities	Trading and other securities	229	15	—	244								
Separate account assets at NAV	Separate account assets at NAV				72,354	(1)							
Separate account assets at NAV													
Separate account assets at NAV													
Investments and cash equivalents segregated for regulatory purposes	Investments and cash equivalents segregated for regulatory purposes	718	—	—	718								
Market risk benefits													
Market risk benefits													
Market risk benefits	Market risk benefits	—	—	1,644	1,644	(2)		—	—	—	1,964	1,964	1,964
Receivables:	Receivables:												
Fixed deferred indexed annuity ceded embedded derivatives	Fixed deferred indexed annuity ceded embedded derivatives	—	—	48	48								
Fixed deferred indexed annuity ceded embedded derivatives													
Fixed deferred indexed annuity ceded embedded derivatives													
Other assets:													
Other assets:													
Other assets:	Other assets:												
Interest rate derivative contracts	Interest rate derivative contracts	2	255	—	257								
Interest rate derivative contracts													
Interest rate derivative contracts								—		189		—	
Equity derivative contracts	Equity derivative contracts	107	3,802	—	3,909		Equity derivative contracts	92	6,731	6,731	—	—	6,823
Credit derivative contracts		—	95	—	95								

Foreign exchange derivative contracts													
Foreign exchange derivative contracts													
Foreign exchange derivative contracts	Foreign exchange derivative contracts	—	31	—	31		—	25	25	—	—	25	
Total other assets	Total other assets	109	4,183	—	4,292	Total other assets	92	6,945	6,945	—	—	7,037	
Total assets at fair value	Total assets at fair value	$4,212	$53,558	$2,156	$132,290	Total assets at fair value	$4,883	$	$ 59,501	$	$2,549	$	
Liabilities	**Liabilities**												
Liabilities													
Liabilities													
Policyholder account balances, future policy benefits and claims:	Policyholder account balances, future policy benefits and claims:												
Policyholder account balances, future policy benefits and claims:													
Policyholder account balances, future policy benefits and claims:													
Fixed deferred indexed annuity embedded derivatives													
Fixed deferred indexed annuity embedded derivatives													
Fixed deferred indexed annuity embedded derivatives	Fixed deferred indexed annuity embedded derivatives	$ —	$ 3	$ 45	$ 48	$ —	$	$ 4	$	$52	$	$ 5	
IUL embedded derivatives	IUL embedded derivatives	—	—	787	787	IUL embedded derivatives	—	—	—	888	888	888	
Structured variable annuity embedded derivatives	Structured variable annuity embedded derivatives	—	—	300	300								
Total policyholder account balances, future policy benefits and claims													
Total policyholder account balances, future policy benefits and claims													

	Dec 31, 2022 Level 1	Level 2	Level 3	Total	Dec 31, 2023 Level 1	Level 2	Level 3	Total
Total policyholder account balances, future policy benefits and claims	—	3	1,132	1,135 (3)	—	4	2,560	2,564
Market risk benefits	—	—	1,525	1,525 (2)	—	—	1,335	1,335
Customer deposits	—	8	—	8	—	9	—	9
Other liabilities:								
Interest rate derivative contracts	3	493	—	496	—	347	—	
Equity derivative contracts	74	2,635	—	2,709	147	4,445	—	4,592
Credit derivative contracts	—	1	—	1				
Foreign exchange derivative contracts	1	4	—	5				
Other	228	7	77	312	283	4	71	358
Total other liabilities	306	3,140	77	3,523	430	4,816	71	5,317
Total liabilities at fair value	$ 306	$ 3,151	$ 2,734	$ 6,191	$ 430	$ 4,829	$ 3,966	$

[Index](#)

AMERIPRISE FINANCIAL, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (Continued)

	December 31, 2022				December 31, 2023		
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
	(in millions)						
Assets							
Cash equivalents	$1,268	$ 3,835	$ —	$ 5,103	$ 704	$ 4,325	$ —
Available-for-Sale securities:							

Corporate debt securities												
Corporate debt securities												
Corporate debt securities	Corporate debt securities	—	9,293	405	9,698		—	12,107	12,107	469	469	12,576
Residential mortgage backed securities	Residential mortgage backed securities	—	15,703	—	15,703	Residential mortgage backed securities	—	21,066	21,066	—	—	21,066
Commercial mortgage backed securities	Commercial mortgage backed securities	—	6,212	—	6,212	Commercial mortgage backed securities	—	6,050	6,050	—	—	6,050
Asset backed securities	Asset backed securities	—	6,258	6	6,264	Asset backed securities	—	8,318	8,318	1	1	8,319
State and municipal obligations	State and municipal obligations	—	797	—	797	State and municipal obligations	—	760	760	—	—	760
U.S. government and agency obligations	U.S. government and agency obligations	2,079	—	—	2,079	U.S. government and agency obligations	2,740	—	—	—	—	2,740
Foreign government bonds and obligations	Foreign government bonds and obligations	—	41	—	41	Foreign government bonds and obligations	—	18	18	—	—	18
Other securities	Other securities	—	17	—	17							
Total Available-for-Sale securities	Total Available-for-Sale securities	2,079	38,321	411	40,811							
Total Available-for-Sale securities												
Total Available-for-Sale securities							2,740		48,352		470	
Investments at NAV												
Investments at NAV												
Investments at NAV	Investments at NAV				9 (1)							
Trading and other securities	Trading and other securities	211	16	—	227	Trading and other securities	265	25	25	—	—	290
Separate account assets at NAV	Separate account assets at NAV				73,962 (1)	Separate account assets at NAV						
Investments and cash equivalents segregated for regulatory purposes	Investments and cash equivalents segregated for regulatory purposes	646	—	—	646							
Market risk benefits	Market risk benefits	—	—	1,015	1,015 (2)							
Market risk benefits												
Market risk benefits							—		—		1,427	

Receivables:	Receivables:											
Fixed deferred indexed annuity ceded embedded derivatives	Fixed deferred indexed annuity ceded embedded derivatives	—	—	48	48							
Fixed deferred indexed annuity ceded embedded derivatives												
Fixed deferred indexed annuity ceded embedded derivatives												
Other assets:	Other assets:											
Other assets:												
Other assets:												
Interest rate derivative contracts												
Interest rate derivative contracts												
Interest rate derivative contracts	Interest rate derivative contracts	7	260	—	267		1	184	184	—	—	185
Equity derivative contracts	Equity derivative contracts	129	2,575	—	2,704	Equity derivative contracts	66	4,968	4,968	—	—	5,034
Credit derivative contracts	Credit derivative contracts	—	13	—	13							
Foreign exchange derivative contracts												
Foreign exchange derivative contracts												
Foreign exchange derivative contracts	Foreign exchange derivative contracts	—	36	—	36		1	21	21	—	—	22
Total other assets	Total other assets	136	2,884	—	3,020	Total other assets	68	5,177	5,177	—	—	5,245
Total assets at fair value	Total assets at fair value	$4,340	$45,056	$1,474	$124,841	Total assets at fair value	$4,476	$	$ 57,879	$	$1,948	$
Liabilities	**Liabilities**											
Liabilities												
Liabilities												
Policyholder account balances, future policy benefits and claims:	Policyholder account balances, future policy benefits and claims:											
Policyholder account balances, future policy benefits and claims:												
Policyholder account balances, future policy benefits and claims:												

Fixed deferred indexed annuity embedded derivatives

Fixed deferred indexed annuity embedded derivatives

Fixed deferred indexed annuity embedded derivatives	$ —	$ 3	$ 44	$ 47		$ —	$	$ 3	$	$49	$ 5
IUL embedded derivatives	—	—	739	739	IUL embedded derivatives	—	—	—	873	873	873
Structured variable annuity embedded derivatives	—	—	(137)	(137) [4]							
Total policyholder account balances, future policy benefits and claims	—	3	646	649 [5]		—	3	3	1,933	1,933	1,936
Market risk benefits	—	—	2,118	2,118 [2]	Market risk benefits	—	—	—	1,762	1,762	1,762
Customer deposits	—	4	—	4	Customer deposits	—	9	9	—	—	9
Other liabilities:											
Interest rate derivative contracts	4	351	—	355	Interest rate derivative contracts	1		304		—	
Equity derivative contracts	139	2,238	—	2,377	Equity derivative contracts	96	3,368	3,368	—	—	3,464
Credit derivative contracts	—	2	—	2							
Foreign exchange derivative contracts	6	8	—	14							

Total policyholder account balances, future policy benefits and claims

Total policyholder account balances, future policy benefits and claims

Foreign exchange derivative contracts

Foreign exchange derivative contracts														
Other														
Other														
Other	Other	205	5	62	272		259	3	3	76	76	338		
Total other liabilities	Total other liabilities	354	2,604	62	3,020	Total other liabilities	357	3,788	3,788	76	76	4,221		
Total liabilities at fair value	Total liabilities at fair value	$ 354	$ 2,611	$2,826	$ 5,791	Total liabilities at fair value	$ 357	$	$ 3,800	$	$3,771	$		

(1) Amounts are comprised of financial instruments that are measured at fair value using the NAV per share (or its equivalent) as a practical expedient and have not been classified in the fair value hierarchy.

(2) See Note 11 10 for additional information related to market risk benefits, including the balances of and changes in market risk benefits as well as the significant inputs and assumptions used in the fair value measurements of market risk benefits.

(3) The Company's adjustment for nonperformance risk resulted in a $184 million $197 million cumulative decrease to the embedded derivatives as of September 30, 2023 March 31, 2024.

Index

(4) The fair value of the structured variable annuity embedded derivatives was a net asset as of December 31, 2022 and the amount is presented as a contra liability.

(5) The Company's adjustment for nonperformance risk resulted in a $139 million $195 million cumulative decrease to the embedded derivatives as of December 31, 2022 December 31, 2023.

The following tables provide a summary of changes in Level 3 assets and liabilities of Ameriprise Financial measured at fair value on a recurring basis:

		Available-for-Sale Securities		Receivables
				Fixed Deferred Indexed Annuity
	Corporate Debt Securities	Asset Backed Securities	Total	Ceded Embedded Derivatives
	(in millions)			
Balance at July 1, 2023	$ 446	$ 3	$ 449	$ 49
	Available-for-Sale Securities			
	Available-for-Sale Securities			
Corporate Debt Securities				
Corporate Debt Securities				
	(in millions)			
	(in millions)			
	(in millions)			
Balance at January 1, 2024				
Balance at January 1, 2024				
Balance at January 1, 2024				
Total gains (losses) included in: Total gains (losses) included in:				
Total gains (losses) included in:				
Total gains (losses) included in:				
Net income				
Net income				
Net income				
Other comprehensive income (loss) Other comprehensive income (loss)	(3)	—	(3)	—
Other comprehensive income (loss)				
Other comprehensive income (loss)				
Purchases				
Purchases				
Purchases Purchases	36	—	36	—
Settlements Settlements	(18)	—	(18)	(1)
Balance at September 30, 2023	$ 461	$ 3	$ 464	$ 48

Settlements								
Changes in unrealized gains (losses) in other comprehensive income (loss) relating to assets held at September 30, 2023	$	(4)	$	—	$	(4)	$	—
Settlements								
Balance at March 31, 2024								
Balance at March 31, 2024								
Balance at March 31, 2024								
Changes in unrealized gains (losses) in other comprehensive income (loss) relating to assets held at March 31, 2024								
Changes in unrealized gains (losses) in other comprehensive income (loss) relating to assets held at March 31, 2024								
Changes in unrealized gains (losses) in other comprehensive income (loss) relating to assets held at March 31, 2024								

	Policyholder Account Balances, Future Policy Benefits and Claims				
	Fixed Deferred Indexed Annuity Embedded Derivatives	IUL Embedded Derivatives	Structured Variable Annuity Embedded Derivatives	Total	Other Liabilities
	(in millions)				
Balance at January 1, 2024	$ 49	$ 873	$ 1,011	$ 1,933	$ 76
Total (gains) losses included in:					
Net income	4 (2)	42 (2)	628 (3)	674	— (4)
Issues	—	6	37	43	3
Settlements	(1)	(33)	(56)	(90)	(8)
Balance at March 31, 2024	$ 52	$ 888	$ 1,620	$ 2,560	$ 71
Changes in unrealized (gains) losses in net income relating to liabilities held at March 31, 2024	$ —	$ 42 (2)	$ 628 (3)	$ 670	$ —

	Policyholder Account Balances, Future Policy Benefits and Claims				
	Fixed Deferred Indexed Annuity Embedded Derivatives	IUL Embedded Derivatives	Structured Variable Annuity Embedded Derivatives	Total	Other Liabilities
	(in millions)				
Balance at July 1, 2023	$ 46	$ 809	$ 557	$ 1,412	$ 78
Total (gains) losses included in:					
Net income	— (2)	2 (2)	(246) (3)	(244)	— (4)
Other comprehensive income (loss)	—	—	—	—	(1)
Issues	—	6	35	41	7
Settlements	(1)	(30)	(46)	(77)	(7)
Balance at September 30, 2023	$ 45	$ 787	$ 300	$ 1,132	$ 77
Changes in unrealized (gains) losses in net income relating to liabilities held at September 30, 2023	$ —	$ 2 (2)	$ (246) (3)	$ (244)	$ —

	Available-for-Sale Securities			Receivables
	Corporate Debt Securities	Asset Backed Securities	Total	Fixed Deferred Indexed Annuity Ceded Embedded Derivatives
	(in millions)			
Balance at January 1, 2023	$ 405	$ 6	$ 411	$ 48
Total gains (losses) included in:				

Other comprehensive income (loss)	8	—	8	—
Purchases	55	—	55	—
Settlements	(28)	(1)	(29)	—
Balance at March 31, 2023	$ 440	$ 5	$ 445	$ 48
Changes in unrealized gains (losses) in other comprehensive income (loss) relating to assets held at March 31, 2023	$ 8	$ —	$ 8	$ —

[Index]

	Available-for-Sale Securities				Receivables
	Corporate Debt Securities	Residential Mortgage Backed Securities	Asset Backed Securities	Total	Fixed Deferred Indexed Annuity Ceded Embedded Derivatives
	(in millions)				
Balance at July 1, 2022	$ 458	$ 139	$ 21	$ 618	$ 49
Total gains (losses) included in:					
Net income	—	—	—	— (1)	(2)
Other comprehensive income (loss)	(13)	(4)	—	(17)	—
Purchases	16	250	17	283	—
Settlements	(58)	—	—	(58)	—
Transfers out of Level 3	—	(139)	(14)	(153)	—
Balance at September 30, 2022	$ 403	$ 246	$ 24	$ 673	$ 47
Changes in unrealized gains (losses) in other comprehensive income (loss) relating to assets held at September 30, 2022	$ (13)	$ (4)	$ —	$ (17)	$ —

	Policyholder Account Balances, Future Policy Benefits and Claims				
	Fixed Deferred Indexed Annuity Embedded Derivatives	IUL Embedded Derivatives	Structured Variable Annuity Embedded Derivatives	Total	Other Liabilities
	(in millions)				
Balance at July 1, 2022	$ 45	$ 719	$ (362)	$ 402	$ 61
Total (gains) losses included in:					
Net income	(1) (2)	(22) (2)	(173) (3)	(196)	— (4)
Other comprehensive income (loss)	—	—	—	—	(2)
Issues	—	18	19	37	12
Settlements	(1)	(26)	3	(24)	(8)
Balance at September 30, 2022	$ 43	$ 689	$ (513) (5)	$ 219	$ 63
Changes in unrealized (gains) losses in net income relating to liabilities held at September 30, 2022	$ —	$ (22) (2)	$ (173) (3)	$ (195)	$ —

	Available-for-Sale Securities			Receivables
	Corporate Debt Securities	Asset Backed Securities	Total	Fixed Deferred Indexed Annuity Ceded Embedded Derivatives
	(in millions)			
Balance at January 1, 2023	$ 405	$ 6	$ 411	$ 48
Total gains (losses) included in:				
Net income	—	—	— (1)	2
Other comprehensive income (loss)	(2)	—	(2)	—

Purchases	114	—	114	—
Settlements	(56)	(3)	(59)	(2)
Balance at September 30, 2023	$ 461	$ 3	$ 464	$ 48
Changes in unrealized gains (losses) in other comprehensive income (loss) relating to assets held at September 30, 2023	$ (3)	$ —	$ (3)	$ —

[Index](#)

AMERIPRISE FINANCIAL, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (Continued)

	Policyholder Account Balances, Future Policy Benefits and Claims				
	Fixed Deferred Indexed Annuity Embedded Derivatives	IUL Embedded Derivatives	Structured Variable Annuity Embedded Derivatives	Total	Other Liabilities
	(in millions)				
Balance at January 1, 2023	$ 44	$ 739	$ (137) (5)	$ 646	$ 62
Total (gains) losses included in:					
Net income	3 (2)	94 (2)	443 (3)	540	1 (4)
Issues	—	46	66	112	40
Settlements	(2)	(92)	(72)	(166)	(26)
Balance at September 30, 2023	$ 45	$ 787	$ 300	$ 1,132	$ 77
Changes in unrealized (gains) losses in net income relating to liabilities held at September 30, 2023	$ —	$ 94 (2)	$ 443 (3)	$ 537	$ —

	Available-for-Sale Securities					Receivables
	Corporate Debt Securities	Residential Mortgage Backed Securities	Commercial Mortgage Backed Securities	Asset Backed Securities	Total	Fixed Deferred Indexed Annuity Ceded Embedded Derivatives
	(in millions)					
Balance at January 1, 2022	$ 502	$ —	$ 35	$ 7	$ 544	$ 59
Total gains (losses) included in:						
Net income	(1)	—	—	—	(1) (1)	(10)
Other comprehensive income (loss)	(46)	(4)	—	—	(50)	—
Purchases	39	389	112	31	571	—
Settlements	(91)	—	—	—	(91)	(2)
Transfers out of Level 3	—	(139)	(147)	(14)	(300)	—
Balance at September 30, 2022	$ 403	$ 246	$ —	$ 24	$ 673	$ 47
Changes in unrealized gains (losses) in net income relating to assets held at September 30, 2022	$ (1)	$ —	$ —	$ —	$ (1) (1)	$ —
Changes in unrealized gains (losses) in other comprehensive income (loss) relating to assets held at September 30, 2022	$ (45)	$ (4)	$ —	$ —	$ (49)	$ —

	Policyholder Account Balances, Future Policy Benefits and Claims				
	Fixed Deferred Indexed Annuity Embedded Derivatives	IUL Embedded Derivatives	Structured Variable Annuity Embedded Derivatives	Total	Other Liabilities
	(in millions)				
Balance at January 1, 2022	$ 56	$ 905	$ 406	$ 1,367	$ 61
Total (gains) losses included in:					
Net income	(10) (2)	(162) (2)	(939) (3)	(1,111)	— (4)
Other comprehensive income (loss)	—	—	—	—	(5)
Issues	—	26	37	63	26

Settlements	(3)	(80)	(17)	(100)	(19)
Balance at September 30, 2022	$ 43	$ 689	$ (513) (5)	$ 219	$ 63
Changes in unrealized (gains) losses in net income relating to liabilities held at September 30, 2022	$ —	$ (162) (2)	$ (939) (3)	$ (1,101)	$ —

[Index](#)

AMERIPRISE FINANCIAL, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (Continued)

	Policyholder Account Balances, Future Policy Benefits and Claims				
	Fixed Deferred Indexed Annuity Embedded Derivatives	IUL Embedded Derivatives	Structured Variable Annuity Embedded Derivatives	Total	Other Liabilities
			(in millions)		
Balance at January 1, 2023	$ 44	$ 739	$ (137) (5)	$ 646	$ 62
Total (gains) losses included in:					
Net income	1 (2)	38 (2)	263 (3)	302	— (4)
Other comprehensive income (loss)	—	—	—	—	1
Issues	—	24	12	36	14
Settlements	(1)	(30)	4	(27)	(7)
Balance at March 31, 2023	$ 44	$ 771	$ 142	$ 957	$ 70
Changes in unrealized (gains) losses in net income relating to liabilities held at March 31, 2023	$ —	$ 38 (2)	$ 263 (3)	$ 301	$ —

(1) Included in Net investment income.

(2) Included in Interest credited to fixed accounts.

(3) Included in Benefits, claims, losses and settlement expenses.

(4) Included in General and administrative expense.

(5) The fair value of the structured variable annuity embedded derivatives was a net asset as of January 1, 2023 and September 30, 2022 and the amounts are amount is presented as a contra liabilities. liability.

The increase (decrease) to pretax income of the Company's adjustment for nonperformance risk on the fair value of its embedded derivatives was $(17) million nil and $6 million $57 million, net of the reinsurance accrual, for the three months ended September 30, 2023 March 31, 2024 and 2022, respectively.

The increase (decrease) to pretax income of the Company's adjustment for nonperformance risk on the fair value of its embedded derivatives was $44 million and $126 million, net of the reinsurance accrual, for the nine months ended September 30, 2023 and 2022, 2023, respectively.

Securities transferred from Level 3 primarily represent securities with fair values that are now obtained from a third-party pricing service with observable inputs or fair values that were included in an observable transaction with a market participant. Securities transferred to Level 3 represent securities with fair values that are now based on a single non-binding broker quote.

The following tables provide a summary of the significant unobservable inputs used in the fair value measurements developed by the Company or reasonably available to the Company of Level 3 assets and liabilities:

	September 30, 2023					March 31, 2024		
	Fair Value (in millions)	Valuation Technique	Unobservable Input	Range	Weighted Average	Fair Value (in millions)	Valuation Technique	
Corporate debt securities (private placements)								
Corporate debt securities (private placements)								
Corporate debt securities (private placements)	Corporate debt securities (private placements) $ 460	Discounted cash flow	Yield/spread to U.S. Treasuries (1)	1.0% – 2.5%	1.2%	$ 505	Discounted cash flow	Discounted cash flow Y U (1)

Asset backed securities	Asset backed securities	$	1	Discounted cash flow	Annual short-term default rate (2)	3.0%	3.0%	Asset backed securities	$	1	Discounted cash flow	Discounted cash flow	A ra
					Annual long-term default rate (2)	3.5%	3.5%						
					Discount rate	28.5%	28.5%						
					Constant prepayment rate	10.0%	10.0%						
					Loss recovery	63.6%	63.6%						
					Annual long-term default rate (2)								
					Discount rate								
					Constant prepayment rate								
					Loss recovery								
Fixed deferred indexed annuity ceded embedded derivatives	Fixed deferred indexed annuity ceded embedded derivatives	$	48	Discounted cash flow	Surrender rate (3)	0.0% – 66.8%	1.4%	Fixed deferred indexed annuity ceded embedded derivatives	$	54	Discounted cash flow	Discounted cash flow	S
Fixed deferred indexed annuity embedded derivatives	Fixed deferred indexed annuity embedded derivatives	$	45	Discounted cash flow	Surrender rate (3)	0.0% – 66.8%	1.4%	Fixed deferred indexed annuity embedded derivatives	$	52	Discounted cash flow	Discounted cash flow	S
					Nonperformance risk (4)	105 bps	105 bps						N ri
IUL embedded derivatives	IUL embedded derivatives	$	787	Discounted cash flow	Nonperformance risk (4)	105 bps	105 bps	IUL embedded derivatives	$	888	Discounted cash flow	Discounted cash flow	N
Structured variable annuity embedded derivatives	Structured variable annuity embedded derivatives	$	300	Discounted cash flow	Surrender rate (3)	0.5% – 75.0%	2.8%						
					Nonperformance risk (4)	105 bps	105 bps						
Structured variable annuity embedded derivatives													
Structured variable annuity embedded derivatives										$1,620		Discounted cash flow	S
					Nonperformance risk (4)								
Contingent consideration liabilities	Contingent consideration liabilities	$	77	Discounted cash flow	Discount rate (5)	0.0% – 10.5%	2.7%	Contingent consideration liabilities	$	71	Discounted cash flow	Discounted cash flow	D

AMERIPRISE FINANCIAL, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (Continued)

	December 31, 2022					December 31
	Fair Value	Valuation Technique	Unobservable Input	Range	Weighted Average	
	(in millions)					

		Fair Value		Valuation Technique	Unobservable Input	Range	Weighted Average			Fair Value	Valuation Technique	Valuation Technique
		(in millions)										
Corporate debt securities (private placements)												
Corporate debt securities (private placements)												
Corporate debt securities (private placements)	Corporate debt securities (private placements)	$	404	Discounted cash flow	Yield/spread to U.S. Treasuries (1)	1.1% – 2.3%	1.4%		$	469	Discounted cash flow	Discounted cash flow
Asset backed securities	Asset backed securities	$	1	Discounted cash flow	Annual short-term default rate (2)	0.8%	0.8%	Asset backed securities	$	1	Discounted cash flow	Discounted cash flow
					Annual long-term default rate (2)	3.5%	3.5%					
					Discount rate	27.0%	27.0%					
					Constant prepayment rate	10.0%	10.0%					
					Loss recovery	63.6%	63.6%					
					Annual long-term default rate (2)							
					Discount rate							
					Constant prepayment rate							
					Loss recovery							
Fixed deferred indexed annuity ceded embedded derivatives	Fixed deferred indexed annuity ceded embedded derivatives	$	48	Discounted cash flow	Surrender rate (3)	0.0% – 66.8%	1.4%	Fixed deferred indexed annuity ceded embedded derivatives	$	51	Discounted cash flow	Discounted cash flow
Fixed deferred indexed annuity embedded derivatives	Fixed deferred indexed annuity embedded derivatives	$	44	Discounted cash flow	Surrender rate (3)	0.0% – 66.8%	1.4%	Fixed deferred indexed annuity embedded derivatives	$	49	Discounted cash flow	Discounted cash flow
					Nonperformance risk (4)	95 bps	95 bps					
IUL embedded derivatives	IUL embedded derivatives	$	739	Discounted cash flow	Nonperformance risk (4)	95 bps	95 bps	IUL embedded derivatives	$	873	Discounted cash flow	Discounted cash flow
Structured variable annuity embedded derivatives	Structured variable annuity embedded derivatives	$	(137) (6)	Discounted cash flow	Surrender rate (3)	0.8% – 40.0%	0.9%					
					Nonperformance risk (4)	95 bps	95 bps					
Structured variable annuity embedded derivatives												
Structured variable annuity embedded derivatives										$1,011		Discounted cash flow
					Nonperformance risk (4)							

Contingent consideration liabilities	Contingent consideration liabilities	$	62	Discounted cash flow	Discount rate (5)	0.0% – 10.5%	3.3%	Contingent consideration liabilities	$	76	Discounted cash flow	Discounted cash flow	

(1) The weighted average for the yield/spread to U.S. Treasuries for corporate debt securities (private placements) is weighted based on the security's market value as a percentage of the aggregate market value of the securities.

(2) The weighted average annual default rates of asset backed securities is weighted based on the security's market value as a percentage of the aggregate market value of the securities.

(3) The weighted average surrender rate represents the average assumption weighted based on the account value of each contract.

(4) The nonperformance risk is the spread added to the U.S. Treasury curve.

(5) The weighted average discount rate represents the average discount rate across all contingent consideration liabilities, weighted based on the size of the contingent consideration liability.

(6) The fair value of the structured variable annuity embedded derivatives was a net asset as of December 31, 2022 and the amount is presented as a contra liability.

Level 3 measurements not included in the tables above are obtained from non-binding broker quotes where unobservable inputs utilized in the fair value calculation are not reasonably available to the Company.

Uncertainty of Fair Value Measurements

Significant increases (decreases) in the yield/spread to U.S. Treasuries used in the fair value measurement of Level 3 corporate debt securities in isolation would have resulted in a significantly lower (higher) fair value measurement.

Significant increases (decreases) in the annual default rate and discount rate used in the fair value measurement of Level 3 asset backed securities in isolation, generally, would have resulted in a significantly lower (higher) fair value measurement and significant increases (decreases) in loss recovery in isolation would have resulted in a significantly lower (higher) fair value measurement.

Significant increases (decreases) in the constant prepayment rate in isolation would have resulted in a significantly lower (higher) fair value measurement.

Significant increases (decreases) in the surrender assumption used in the fair value measurement of the fixed deferred indexed annuity ceded embedded derivatives in isolation would have resulted in a significantly lower (higher) fair value measurement.

Significant increases (decreases) in nonperformance risk used in the fair value measurement of the IUL embedded derivatives in isolation would have resulted in a significantly lower (higher) fair value measurement.

Significant increases (decreases) in nonperformance risk and surrender assumption used in the fair value measurements of the fixed deferred indexed annuity embedded derivatives and structured variable annuity embedded derivatives in isolation would have resulted in a significantly lower (higher) liability value.

Significant increases (decreases) in the discount rate used in the fair value measurement of the contingent consideration liability in isolation would have resulted in a significantly lower (higher) fair value measurement.

Determination of Fair Value

The Company uses valuation techniques consistent with the market and income approaches to measure the fair value of its assets and liabilities. The Company's market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities. The Company's income approach uses valuation techniques to convert future projected

cash flows to a single discounted present value amount. When applying either approach, the Company maximizes the use of observable inputs and minimizes the use of unobservable inputs.

The following is a description of the valuation techniques used to measure fair value and the general classification of these instruments pursuant to the fair value hierarchy.

Assets

Cash Equivalents

Cash equivalents include time deposits and other highly liquid investments with original or remaining maturities at the time of purchase of 90 days or less. Actively traded money market funds are measured at their NAV and classified as Level 1. U.S. Treasuries are also classified as Level 1. The Company's remaining cash equivalents are classified as Level 2 and measured at amortized cost, which is a reasonable estimate of fair value because of the short time between the purchase of the instrument and its expected realization.

Investments (Available-for-Sale Securities, Equity Securities and Trading Securities)

When available, the fair value of securities is based on quoted prices in active markets. If quoted prices are not available, fair values are obtained from third-party pricing services, non-binding broker quotes, or other model-based valuation techniques.

Level 1 securities primarily include trading securities and U.S. Treasuries.

Level 2 securities primarily include corporate bonds, residential mortgage backed securities, commercial mortgage backed securities, asset backed securities, state and municipal obligations, foreign government securities and other securities. The fair value of these Level 2 securities is based on a market approach with prices obtained from third-party pricing services. Observable inputs used to value these securities can include, but are not limited to, reported trades, benchmark yields, issuer spreads and non-binding broker quotes. The fair value of securities included in an observable transaction with a market participant are also considered Level 2 when the market is not active.

Level 3 securities primarily include certain corporate bonds, non-agency residential mortgage backed securities, commercial mortgage backed securities and asset backed securities with fair value typically based on a single non-binding broker quote. The underlying inputs used for some of the non-binding broker quotes are not readily available to the Company. The Company's privately placed corporate bonds are typically based on a single non-binding broker quote. The fair value of certain asset backed securities is determined using a discounted cash flow model. Inputs used to determine the expected cash flows include assumptions about discount rates and default, prepayment and recovery rates of the underlying assets. Given the significance of the unobservable inputs to this fair value measurement, the fair value of the investment in certain asset backed securities is classified as Level 3.

Management is responsible for the fair values recorded on the financial statements. Prices received from third-party pricing services are subjected to exception reporting that identifies investments with significant daily price movements as well as no movements. The Company reviews the exception reporting and resolves the exceptions through reaffirmation of the price or recording an appropriate fair value estimate. The Company also performs subsequent transaction testing. The Company performs annual due diligence of third-party pricing services. The Company's due diligence procedures include assessing the vendor's valuation qualifications, control environment, analysis of asset-class specific valuation methodologies, and understanding of sources of market observable assumptions and unobservable assumptions, if any, employed in the valuation methodology. The Company also considers the results of its exception reporting controls and any resulting price challenges that arise.

Separate Account Assets

The fair value of assets held by separate accounts is determined by the NAV of the funds in which those separate accounts are invested. The NAV is used as a practical expedient for fair value and represents the exit price for the separate account. Separate account assets are excluded from classification in the fair value hierarchy.

Investments and Cash Equivalents Segregated for Regulatory Purposes

Investments and cash equivalents segregated for regulatory purposes includes U.S. Treasuries that are classified as Level 1.

Receivables

The Company reinsured its fixed deferred indexed annuity products which have an indexed account that is accounted for as an embedded derivative. The Company uses discounted cash flow models to determine the fair value of these ceded embedded derivatives. The fair value of fixed deferred indexed annuity ceded embedded derivatives includes significant observable interest rates, volatilities and equity index levels and significant unobservable surrender rates. Given the significance of the unobservable surrender rates, these embedded derivatives are classified as Level 3.

Other Assets

Derivatives that are measured using quoted prices in active markets, such as derivatives that are exchange-traded, are classified as Level 1 measurements. The variation margin on futures contracts is also classified as Level 1. The fair value of derivatives that are traded in less active over-the-counter ("OTC") markets is generally measured using pricing models with market observable inputs

such as interest rates and equity index levels. These measurements are classified as Level 2 within the fair value hierarchy and include swaps, foreign currency forwards and the majority of options. The counterparties' nonperformance risk associated with uncollateralized derivative assets was immaterial as of both September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023. See Note 14 13 and Note 15 14 for further information on the credit risk of derivative instruments and related collateral.

Liabilities

Policyholder Account Balances, Future Policy Benefits and Claims

There is no active market for the transfer of the Company's embedded derivatives attributable to the provisions of fixed deferred indexed annuity, structured variable annuity and IUL products.

The Company uses a discounted cash flow model to determine the fair value of the embedded derivatives associated with the provisions of its equity index annuity product. The projected cash flows generated by this model are based on significant observable inputs related to interest rates, volatilities and equity index levels and, therefore, are classified as Level 2.

The Company uses discounted cash flow models to determine the fair value of the embedded derivatives associated with the provisions of its fixed deferred indexed annuity, structured variable annuity and IUL products. The structured variable annuity product is a limited flexible purchase payment annuity that offers 45 different indexed account options providing equity market exposure and a fixed account. Each indexed account includes a protection option (a buffer or a floor). If the index has a negative return, contractholder losses will be reduced by a buffer or limited to a floor. The portion allocated to an indexed account is accounted for as an embedded derivative. The fair value of fixed deferred indexed annuity, structured variable annuity and IUL embedded derivatives includes significant observable interest rates, volatilities and equity index levels and significant unobservable surrender rates and the estimate of the Company's nonperformance risk. Given the significance of the unobservable surrender rates and the nonperformance risk assumption, the fixed deferred indexed annuity, structured variable annuity and IUL embedded derivatives are classified as Level 3.

The embedded derivatives attributable to these provisions are recorded in Policyholder account balances, future policy benefits and claims.

Customer Deposits

The Company uses Black-Scholes models to determine the fair value of the embedded derivative liability associated with the provisions of its stock market certificates ("SMC"). The inputs to these calculations are primarily market observable and include interest rates, volatilities and equity index levels. As a result, these measurements are classified as Level 2.

Other Liabilities

Derivatives that are measured using quoted prices in active markets, such as derivatives that are exchange-traded, are classified as Level 1 measurements. The variation margin on futures contracts is also classified as Level 1. The fair value of derivatives that are traded in less active OTC markets is generally measured using pricing models with market observable inputs such as interest rates and equity index levels. These measurements are classified as Level 2 within the fair value hierarchy and include swaps, foreign currency forwards and the majority of options. The Company's nonperformance risk associated with uncollateralized derivative liabilities was immaterial as of both September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023. See Note 14 13 and Note 15 14 for further information on the credit risk of derivative instruments and related collateral.

Securities sold but not yet purchased represent obligations of the Company to deliver specified securities that it does not yet own, creating a liability to purchase the security in the market at prevailing prices. When available, the fair value of securities is based on quoted prices in active markets. If quoted prices are not available, fair values are obtained from nationally-recognized pricing services, or other model-based valuation techniques such as the present value of cash flows. Level 1 securities sold but not yet purchased primarily include trading securities and U.S. Treasuries traded in active markets. Level 2 securities sold but not yet purchased primarily include corporate bonds.

Contingent consideration liabilities consist of earn-outs and/or deferred payments related to the Company's acquisitions. Contingent consideration liabilities are recorded at fair value utilizing a discounted cash flow model using an unobservable input (discount rate). Given the use of a significant unobservable input, the fair value of contingent consideration liabilities is classified as Level 3 within the fair value hierarchy.

Fair Value on a Nonrecurring Basis

The Company assesses its investment in affordable housing partnerships for impairment. The investments that are determined to be impaired are written down to their fair value. The Company uses a discounted cash flow model to measure the fair value of these investments. Inputs to the discounted cash flow model are estimates of future net operating losses and tax credits available to the Company and discount rates based on market condition and the financial strength of the syndicator (general partner). The balance of affordable housing partnerships measured at fair value on a nonrecurring basis was $38 million and $41 million as of March 31, 2024 and December 31, 2023, respectively, and is classified as Level 3 in the fair value hierarchy.

affordable housing partnerships measured at fair value on a nonrecurring basis was $44 million and $58 million as of September 30, 2023 and December 31, 2022, respectively, and is classified as Level 3 in the fair value hierarchy.

Assets and Liabilities Not Reported at Fair Value

The following tables provide the carrying value and the estimated fair value of financial instruments that are not reported at fair value:

	September 30, 2023				
	Carrying Value	Fair Value Level 1	Level 2	Level 3	Total
	(in millions)				
Financial Assets					
Mortgage loans, net	$ 2,064	$ —	$ 223	$ 1,612	$ 1,835
Policy loans	890	—	890	—	890
Receivables	9,627	118	1,620	6,355	8,093
Restricted and segregated cash	851	851	—	—	851
Other investments and assets	336	—	286	49	335
Financial Liabilities					

	March 31, 2024				
	Carrying Value	Fair Value Level 1	Level 2	Level 3	Total
	(in millions)				
Financial Assets					
Mortgage loans, net					
Mortgage loans, net					
Policy loans					
Restricted and segregated cash					
Financial Liabilities					
Financial Liabilities					
Policyholder account balances, future policy benefits and claims					
Policyholder account balances, future policy benefits and claims					

		Carrying Value	Level 1	Level 2	Level 3	Total
Policyholder account balances, future policy benefits and claims	Policyholder account balances, future policy benefits and claims	$15,996	$ —	$ —	$13,124	$13,124
Investment certificate reserves	Investment certificate reserves	12,604	—	—	12,537	12,537
Banking and brokerage deposits	Banking and brokerage deposits	23,525	23,502	23	—	23,525
Separate account liabilities — investment contracts	Separate account liabilities — investment contracts	3,073	—	3,073	—	3,073
Debt and other liabilities	Debt and other liabilities	3,879	124	3,600	6	3,730

	December 31, 2022				
	Carrying Value	Fair Value			
		Level 1	Level 2	Level 3	Total
	(in millions)				

	December 31, 2023				
	Carrying Value	Fair Value			
		Level 1	Level 2	Level 3	Total
	(in millions)				

Carrying Value | Level 1

(in millions)

		Carrying Value	Level 1	Level 2	Level 3	Total
Financial Assets	**Financial Assets**					
Mortgage loans, net						
Mortgage loans, net						
Mortgage loans, net	Mortgage loans, net	$ 1,987	$ —	$ 105	$ 1,695	$ 1,800
Policy loans	Policy loans	847	—	847	—	847
Receivables	Receivables	10,287	199	1,742	6,996	8,937
Restricted and segregated cash	Restricted and segregated cash	1,583	1,583	—	—	1,583
Other investments and assets	Other investments and assets	375	—	323	51	374
Financial Liabilities	**Financial Liabilities**					
Financial Liabilities						
Financial Liabilities						
Policyholder account balances, future policy benefits and claims						
Policyholder account balances, future policy benefits and claims						

Policyholder account balances, future policy benefits and claims	Policyholder account balances, future policy benefits and claims	$14,450	$ —	$ —	$12,470	$12,470
Investment certificate reserves	Investment certificate reserves	9,310	—	—	9,253	9,253
Banking and brokerage deposits	Banking and brokerage deposits	21,474	21,474	—	—	21,474
Separate account liabilities — investment contracts	Separate account liabilities — investment contracts	3,383	—	3,383	—	3,383
Debt and other liabilities	Debt and other liabilities	3,242	234	2,909	7	3,150

Receivables include deposit receivables, brokerage margin loans, securities borrowed, pledged asset lines of credit and loans to financial advisors. Restricted and segregated cash includes cash segregated under federal and other regulations held in special reserve bank accounts for the exclusive benefit of the Company's brokerage customers. Other investments and assets primarily include syndicated loans, credit card receivables, certificate of deposits with original or remaining maturities at the time of purchase of more than 90 days, the Company's membership in the FHLB and investments related to the Community Reinvestment Act. See Note 7 6 for additional information on mortgage loans, policy loans, syndicated loans, credit card receivables and deposit receivables.

Policyholder account balances, future policy benefits and claims include fixed annuities in deferral status, non-life contingent fixed annuities in payout status, indexed and structured variable annuity host contracts, and the fixed portion of a small number of variable annuity contracts classified as investment contracts. See Note 9 8 for additional information on these liabilities. Investment certificate reserves represent customer deposits for fixed rate certificates and stock market certificates. Banking and brokerage deposits are amounts payable to customers related to free credit balances, funds deposited by customers and funds accruing to customers as a result of trades or contracts. Separate account liabilities are primarily investment contracts in pooled pension funds offered by Threadneedle. Debt and other liabilities include the Company's long-term debt, short-term borrowings, securities loaned and future funding commitments to affordable housing partnerships and other real estate partnerships. See Note 11 for further information on the Company's long-term debt and short-term borrowings.

commitments to affordable housing partnerships and other real estate partnerships. See Note 12 for further information on the Company's long-term debt and short-term borrowings.

14. 13. Offsetting Assets and Liabilities

Certain financial instruments and derivative instruments are eligible for offset in the Consolidated Balance Sheets. The Company's derivative instruments and securities borrowing and lending agreements are subject to master netting and collateral arrangements and qualify for offset. A master netting arrangement with a counterparty creates a right of offset for amounts due to and from that same counterparty that is enforceable in the event of a default or bankruptcy. Securities borrowed and securities loaned result from transactions between the Company's broker dealer subsidiary and other financial institutions and are recorded at the amount of cash collateral advanced or received. Securities borrowed and securities loaned are primarily equity securities. The Company's securities borrowed and securities loaned transactions generally do not have a fixed maturity date and may be terminated by either party under customary terms. The Company's policy is to recognize amounts subject to master netting arrangements on a gross basis in the Consolidated Balance Sheets.

The following tables present the gross and net information about the Company's assets subject to master netting arrangements:

		September 30, 2023							March 31, 2024						
					Gross Amounts Not Offset in the Consolidated Balance Sheets							Gross Amounts Not Offset in the Consolidated Balance Sheets			
		Gross Amounts of Recognized Assets	Gross Amounts Offset in the Consolidated Balance Sheets	Amounts of Assets Presented in the Consolidated Balance Sheets	Financial Instruments (1)	Cash Collateral	Securities Collateral	Net Amount	Gross Amounts of Recognized Assets	Gross Amounts Offset in the Consolidated Balance Sheets	Amounts of Assets Presented in the Consolidated Balance Sheets	Financial Instruments (1)	Cash Collateral	Net Amount	Securities Collateral
								(in millions)							
Derivatives:	Derivatives:														

	Gross Amounts of Recognized Assets	Gross Amounts Offset in the Consolidated Balance Sheets	Amounts of Assets Presented in the Consolidated Balance Sheets	Financial Instruments (1)	Cash Collateral	Securities Collateral	Net Amount
OTC	$ 4,188	$ —	$ 4,188	$ (2,877)	$(1,083)	$ (199)	$ 29
OTC cleared	37	—	37	(13)	—	—	24
Exchange-traded	67	—	67	(49)	—	—	18
Total derivatives	4,292	—	4,292	(2,939)	(1,083)	(199)	71
Securities borrowed	119	—	119	(42)	—	(75)	2
Total	$ 4,411	$ —	$ 4,411	$ (2,981)	$(1,083)	$ (274)	$ 73

	December 31, 2022						
				Gross Amounts Not Offset in the Consolidated Balance Sheets			
	Gross Amounts of Recognized Assets	Gross Amounts Offset in the Consolidated Balance Sheets	Amounts of Assets Presented in the Consolidated Balance Sheets	Financial Instruments (1)	Cash Collateral	Securities Collateral	Net Amount
	(in millions)						
Derivatives:							
OTC	$ 2,900	$ —	$ 2,900	$ (2,322)	$ (568)	$ (5)	$ 5
OTC cleared	23	—	23	(9)	—	—	14
Exchange-traded	97	—	97	(75)	—	—	22
Total derivatives	3,020	—	3,020	(2,406)	(568)	(5)	41
Securities borrowed	199	—	199	(31)	—	(164)	4
Total	$ 3,219	$ —	$ 3,219	$ (2,437)	$ (568)	$ (169)	$ 45

	December 31, 2023					
				Gross Amounts Not Offset in the Consolidated Balance Sheets		
	Gross Amounts of Recognized Assets	Gross Amounts Offset in the Consolidated Balance Sheets	Amounts of Assets Presented in the Consolidated Balance Sheets	Financial Instruments (1)	Cash Collateral	
OTC	$ 5,197	$ —	$ 5,197	$ (3,707)	$(1,114)	$(357)
OTC cleared	9	—	9	(9)		
Exchange-traded	39	—	39	(18)		—
Total derivatives	5,245	—	5,245	(3,734)	(1,114)	(357)
Securities borrowed	146	—	146	(32)	—	(111)
Total	$ 5,391	$ —	$ 5,391	$ (3,766)	$(1,114)	$(468)

(1) Represents the amount of assets that could be offset by liabilities with the same counterparty under master netting or similar arrangements that management elects not to offset on the Consolidated Balance Sheets.

The following tables present the gross and net information about the Company's liabilities subject to master netting arrangements:

	September 30, 2023						
				Gross Amounts Not Offset in the Consolidated Balance Sheets			
	Gross Amounts of Recognized Liabilities	Gross Amounts Offset in the Consolidated Balance Sheets	Amounts of Liabilities Presented in the Consolidated Balance Sheets	Financial Instruments (1)	Cash Collateral	Securities Collateral	Net Amount
	(in millions)						

	March 31, 2024			
	Gross Amounts of Recognized Liabilities	Financial Instruments (1)		
	Gross Amounts of Recognized Liabilities	Gross Amounts Offset in the Consolidated Balance Sheets	Amount Liabiliti Presente the Consolid Balanc Sheet	
	(in millions)			
Derivatives:				

OTC													
OTC													
OTC	OTC	$ 3,148	$ —	$ 3,148	$ (2,877)	$ (22)	$ (247)	$ 2	$	4,944	$ —	$ 4,944	$
OTC cleared	OTC cleared	13	—	13	(13)	—	—	—	OTC cleared	8	—	8	
Exchange-traded	Exchange-traded	50	—	50	(49)	—	—	1	Exchange-traded	7	—	7	
Total derivatives	Total derivatives	3,211	—	3,211	(2,939)	(22)	(247)	3	Total derivatives	4,959	—	4,959	
Securities loaned	Securities loaned	124	—	124	(42)	—	(80)	2	Securities loaned	309	—	309	
Total	Total	$ 3,335	$ —	$ 3,335	$ (2,981)	$ (22)	$ (327)	$ 5	Total	$ 5,268	$ —	$ 5,268	

		December 31, 2022								December 31, 2023						
					Gross Amounts Not Offset in the Consolidated Balance Sheets								Gross Amounts Not Offset in the Consolidated Balance Sheets			
		Gross Amounts of Recognized Liabilities	Gross Amounts Offset in the Consolidated Balance Sheets	Amounts of Liabilities Presented in the Consolidated Balance Sheets	Financial Instruments (1)	Cash Collateral	Securities Collateral	Net Amount		Gross Amounts of Recognized Liabilities	Gross Amounts Offset in the Consolidated Balance Sheets	Amounts of Liabilities Presented in the Consolidated Balance Sheets	Financial Instruments (1)	Cash Collateral		
		(in millions)														
Derivatives:	Derivatives:															
OTC	OTC	$ 2,646	$ —	$ 2,646	$ (2,322)	$ (43)	$ (277)	$ 4								
OTC																
OTC										$ 3,829	$ —	$ 3,829	$ (3,707)	$ (36)		$ (78)
OTC cleared	OTC cleared	9	—	9	(9)	—	—	—	OTC cleared	35	—	35	(9)		—	
Exchange-traded	Exchange-traded	93	—	93	(75)	—	(17)	1	Exchange-traded	19	—	19	(18)		—	
Total derivatives	Total derivatives	2,748	—	2,748	(2,406)	(43)	(294)	5	Total derivatives	3,883	—	3,883	(3,734)	(36)		(78)
Securities loaned	Securities loaned	235	—	235	(31)	—	(197)	7	Securities loaned	163	—	163	(32)	—		(126)
Total	Total	$ 2,983	$ —	$ 2,983	$ (2,437)	$ (43)	$ (491)	$ 12	Total	$ 4,046	$ —	$ 4,046	$ (3,766)	$ (36)		$(204)

(1) Represents the amount of liabilities that could be offset by assets with the same counterparty under master netting or similar arrangements that management elects not to offset on the Consolidated Balance Sheets.

In the tables above, the amount of assets or liabilities presented are offset first by financial instruments that have the right of offset under master netting or similar arrangements, then any remaining amount is reduced by the amount of cash and securities collateral. The actual collateral may be greater than amounts presented in the tables.

When the fair value of collateral accepted by the Company is less than the amount due to the Company, there is a risk of loss if the counterparty fails to perform or provide additional collateral. To mitigate this risk, the Company monitors collateral values regularly and requires additional collateral when necessary. When the value of collateral pledged by the Company declines, it may be required to post additional collateral.

Freestanding derivative instruments are reflected in Other assets and Other liabilities. Cash collateral pledged by the Company is reflected in Other assets and cash collateral accepted by the Company is reflected in Other liabilities. Securities borrowing and lending agreements are reflected in Receivables and Other liabilities, respectively. See Note 15 14 for additional disclosures related to the Company's derivative instruments and Note 5 4 for information related to derivatives held by consolidated investment entities.

15. 14. Derivatives and Hedging Activities

Derivative instruments enable the Company to manage its exposure to various market risks. The value of such instruments is derived from an underlying variable or multiple variables, including equity, foreign exchange and interest rate indices or prices. The Company primarily enters into derivative agreements for risk management purposes related to the Company's products and operations.

Certain of the Company's freestanding derivative instruments are subject to master netting arrangements. The Company's policy on the recognition of derivatives on the Consolidated Balance Sheets is to not offset fair value amounts recognized for derivatives and collateral arrangements executed with the same counterparty under the same master netting arrangement. See Note 14 13 for additional information regarding the estimated fair value of the Company's freestanding derivatives after considering the effect of master netting arrangements and collateral.

Index

Generally, the Company uses derivatives as economic hedges and accounting hedges. The following table presents the notional value and gross fair value of derivative instruments, including embedded derivatives:

	March 31, 2024			March 31, 2024			December 31, 2023
		Gross Fair Value			Gross Fair Value		
	Notional	Assets (1)	Liabilities (2)	Notional	Assets (1)	Liabilities (2)	
	(in millions)						
Derivatives designated as hedging instruments							

	September 30, 2023			December 31, 2022		
		Gross Fair Value			Gross Fair Value	
	Notional	Assets (1)	Liabilities (2)	Notional	Assets (1)	Liabilities (2)
Foreign exchange contracts – net investment hedges	(in millions)					
	$ 1	$ —	$ —	$ 6	$ —	$ 1
Foreign exchange contracts – net investment hedges / Foreign exchange contracts – net investment hedges	61	—	—	85	—	—
Total qualifying hedges / Total qualifying hedges	62	—	—	91	—	1
Derivatives not designated as hedging instruments / **Derivatives not designated as hedging instruments**						
Interest rate contracts / Interest rate contracts	46,267	257	496	101,307	267	355
Equity contracts / Equity contracts	80,379	3,909	2,709	68,493	2,704	2,376
Credit contracts / Credit contracts	3,414	95	1	1,857	13	2
Foreign exchange contracts / Foreign exchange contracts	3,336	31	5	3,171	36	14
Total non-designated hedges / Total non-designated hedges	133,396	4,292	3,211	174,828	3,020	2,747
Embedded derivatives / **Embedded derivatives**						

Derivatives not designated as hedging instruments
Derivatives not designated as hedging instruments
Interest rate contracts
Interest rate contracts
Total non-designated hedges
Total non-designated hedges
Embedded derivatives
Embedded derivatives

IUL							
IUL							
IUL	IUL	N/A	—	787	N/A	—	739
Fixed deferred indexed annuities and deposit receivables	Fixed deferred indexed annuities and deposit receivables	N/A	48	48	N/A	48	47
Structured variable annuities (3)	Structured variable annuities (3)	N/A	—	300	N/A	—	(137)
SMC	SMC	N/A	—	8	N/A	—	4
Total embedded derivatives	Total embedded derivatives	N/A	48	1,143	N/A	48	653
Total derivatives	Total derivatives	$ 133,458	$4,340	$ 4,354	$174,919	$3,068	$ 3,401

N/A Not applicable.

(1) The fair value of freestanding derivative assets is included in Other assets and the fair value of ceded embedded derivative assets related to deposit receivables is included in Receivables.

(2) The fair value of freestanding derivative liabilities is included in Other liabilities. The fair value of IUL, fixed deferred indexed annuity and structured variable annuity embedded derivatives is included in Policyholder account balances, future policy benefits and claims. The fair value of the SMC embedded derivative liability is included in Customer deposits.

(3) The fair value of the structured variable annuity embedded derivatives as of September 30, 2023 March 31, 2024 included $459 million $1.6 billion of individual contracts in a liability position and $159 million $1 million of individual contracts in an asset position. The fair value of the structured variable annuity embedded derivatives as of December 31, 2022 December 31, 2023 included $194 million $1.0 billion of individual contracts in a liability position and $331 million $15 million of individual contracts in an asset position.

See Note 13 12 for additional information regarding the Company's fair value measurement of derivative instruments.

As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, investment securities with a fair value of $1.6 billion and $1.7 billion $1.5 billion, respectively, were pledged to meet contractual obligations under derivative contracts, of which $264 $390 million and $302 $145 million, respectively, may be sold, pledged or rehypothecated by the counterparty. As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, investment securities with a fair value of $212 million $497 million and $14 million $376 million, respectively, were received as collateral to meet contractual obligations under derivative contracts, of which $211 million $417 million and $5 million $314 million, respectively, may be sold, pledged or rehypothecated by the Company. As of both September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, the Company had sold, pledged or rehypothecated none of these securities. In addition, as of both September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, non-cash collateral accepted was held in separate custodial accounts and was not included in the Company's Consolidated Balance Sheets.

Derivatives Not Designated as Hedges

The following tables present table presents a summary of the impact of derivatives not designated as hedging instruments, including embedded derivatives, on the Consolidated Statements of Operations:

	Net Investment Income	Banking and Deposit Interest Expense	Distribution Expenses	Interest Credited to Fixed Accounts	Benefits, Claims, Losses and Settlement Expenses	Change in Fair Value of Market Risk Benefits	Interest and Debt Expense	General and Administrative Expense
	(in millions)							
Three Months Ended September 30, 2023								
Interest rate contracts	$ —	$ —	$ —	$ —	$ (7)	$ (1,073)	$ —	$ —
Equity contracts	1	(1)	(44)	(19)	(119)	245	—	(5)
Credit contracts	—	—	(2)	—	—	154	—	—
Foreign exchange contracts	—	—	—	—	—	51	—	—
IUL embedded derivatives	—	—	—	28	—	—	—	—
Structured variable annuity embedded derivatives	—	—	—	—	246	—	—	—
SMC embedded derivatives	—	1	—	—	—	—	—	—
Total gain (loss)	$ 1	$ —	$ (46)	$ 9	$ 120	$ (623)	$ —	$ (5)
Three Months Ended September 30, 2022								

Interest rate contracts	$ —	$ —	$ —	$ —	$ (19)	$ (734)	$ —	$ —
Equity contracts	3	(1)	(41)	(23)	(61)	402	—	(5)
Credit contracts	—	—	1	—	—	92	—	—
Foreign exchange contracts	1	—	—	—	—	112	—	(8)
IUL embedded derivatives	—	—	—	48	—	—	—	—
Structured variable annuity embedded derivatives	—	—	—	—	173	—	—	—
SMC embedded derivatives	—	1	—	—	—	—	—	—
Total gain (loss)	$ 4	$ —	$ (40)	$ 25	$ 93	$ (128)	$ —	$ (13)

[Index]

	Net Investment Income	Banking and Deposit Interest Expense	Distribution Expenses	Interest Credited to Fixed Accounts	Benefits, Claims, Losses and Settlement Expenses	Change in Fair Value of Market Risk Benefits	Interest and Debt Expense	General and Administrative Expense
	(in millions)							
Nine Months Ended September 30, 2023								

Net Investment Income

Net Investment Income

	Net Investment Income	Banking and Deposit Interest Expense	Distribution Expenses	Interest Credited to Fixed Accounts	Benefits, Claims, Losses and Settlement Expenses	Change in Fair Value of Market Risk Benefits	General and Administrative Expense
	(in millions)						(in millions)
Three Months Ended March 31, 2024							

Interest rate contracts

Interest rate contracts

Interest rate contracts	Interest rate contracts	$ —	$ —	$ —	$ —	$ (15)	$(1,307)	$ —	$ —
Equity contracts	Equity contracts	(1)	2	44	35	391	(655)	—	3
Credit contracts	Credit contracts	—	—	(1)	—	—	187	—	—
Foreign exchange contracts	Foreign exchange contracts	—	—	—	—	—	63	—	6
IUL embedded derivatives	IUL embedded derivatives	—	—	—	(2)	—	—	—	—

IUL embedded derivatives

IUL embedded derivatives									
Fixed deferred indexed annuity and deposit receivables embedded derivatives	Fixed deferred indexed annuity and deposit receivables embedded derivatives	—	—	—	(2)	—	—	—	—
Structured variable annuity embedded derivatives	Structured variable annuity embedded derivatives	—	—	—	—	(443)	—	—	—
SMC embedded derivatives	SMC embedded derivatives	—	(3)	—	—	—	—	—	—
Total gain (loss)	Total gain (loss)	$ (1)	$ (1)	$ 43	$ 31	$ (67)	$(1,712)	$ —	$ 9
Nine Months Ended September 30, 2022									
Three Months Ended March 31, 2023									
Three Months Ended March 31, 2023									
Three Months Ended March 31, 2023									
Interest rate contracts									
Interest rate contracts									
Interest rate contracts	Interest rate contracts	$ 1	$ —	$ (3)	$ —	$ (20)	$(2,795)	$ (1)	$ —
Equity contracts	Equity contracts	10	(1)	(224)	(135)	(350)	1,416	—	(29)
Credit contracts	Credit contracts	—	—	(2)	—	—	288	—	—
Foreign exchange contracts	Foreign exchange contracts	2	—	—	—	—	219	—	(13)
IUL embedded derivatives	IUL embedded derivatives	—	—	—	242	—	—	—	—
IUL embedded derivatives									
IUL embedded derivatives									
Fixed deferred indexed annuity and deposit receivables embedded derivatives	Fixed deferred indexed annuity and deposit receivables embedded derivatives	—	—	—	3	—	—	—	—

Structured variable annuity embedded derivatives	Structured variable annuity embedded derivatives	—	—	—	—	939	—	—	—
SMC embedded derivatives	SMC embedded derivatives	—	1	—	—	—	—	—	—
Total gain (loss)	Total gain (loss)	$ 13	$ —	$ (229)	$ 110	$ 569	$ (872)	$ (1)	$ (42)

The Company holds derivative instruments that either do not qualify or are not designated for hedge accounting treatment. These derivative instruments are used as economic hedges of equity, interest rate, credit and foreign currency exchange rate risk related to various products and transactions of the Company.

The deferred premium associated with certain of the above options is paid or received semi-annually over the life of the contract or at maturity. The following is a summary of the payments the Company is scheduled to make and receive for these options as of September 30, 2023 March 31, 2024:

		Premiums Payable	Premiums Receivable	Premiums Payable	Premiums Receivable
		(in millions)			
2023 (1)		$ 4	$ —		
2024		129	23		
2024 (1)					
2025	2025	119	20		
2026	2026	247	88		
2027	2027	19	—		
2028 - 2030		408	—		
2028					
2029 - 2031					
Total	Total	$ 926	$ 131		

(1) 2023 2024 amounts represent the amounts payable and receivable for the period from October 1, 2023 April 1, 2024 to December 31, 2023 December 31, 2024.

Actual timing and payment amounts may differ due to future settlements, modifications or exercises of the contracts prior to the full premium being paid or received.

Structured variable annuity, IUL and stock market certificate products have returns tied to the performance of equity markets. As a result of fluctuations in equity markets, the obligation incurred by the Company related to structured variable annuity, IUL and stock market certificate products will positively or negatively impact earnings over the life of these products. The equity components of structured variable annuity, IUL and stock market certificate product obligations are considered embedded derivatives, which are bifurcated from their host contracts for valuation purposes and reported on the Consolidated Balance Sheets at fair value with changes in fair value reported in earnings. As a means of economically hedging its obligations under the provisions of these products, the Company enters into interest rate swaps, index options and futures contracts.

As discussed in Note 11, 10, the Company issues variable annuity contracts that provide protection to contractholders from other-than-nominal capital market risk and expose the Company to other-than-nominal capital market risk. The Company economically hedges its obligations under these market risk benefits using options, swaptions, swaps and futures.

The Company enters into futures, credit default swaps, commodity swaps, total return swaps and foreign currency forwards to manage its exposure to price risk arising from seed money investments in proprietary investment products. The Company enters into foreign currency forward contracts to economically hedge its exposure to certain foreign transactions. The Company enters into futures contracts, total return swaps and foreign currency forwards to economically hedge its exposure related to compensation plans. The Company enters into interest rate swaps to offset interest rate changes on unrealized gains or losses for certain investments.

Cash Flow Hedges

The Company has designated derivative instruments as a cash flow hedge for equity exposure of certain compensation-related liabilities and interest rate exposure on forecasted debt interest payments. For derivative instruments that qualify as cash flow hedges, the gains or losses on the derivative instruments are reported in AOCI and reclassified into earnings when the hedged item or transaction impacts earnings. The amount that is reclassified into earnings is presented within the same line item as the earnings impact of the hedged item in Interest and debt expense.

For both the three and nine months ended September 30, 2023 March 31, 2024 and 2022, 2023, the amounts reclassified from AOCI to earnings related to cash flow hedges were immaterial. The estimated net amount recorded in AOCI as of September 30, 2023 March 31, 2024 that the Company expects to reclassify to earnings as a reduction to Interest and debt expense within the next twelve months is $0.8 million and as an increase to General and administrative expense is $0.6 million. Currently, the longest period of time over which the Company is hedging exposure to the variability in future cash flows is 12 years and relates to forecasted debt interest payments. See Note 16 15 for a rollforward of net unrealized gains (losses) on derivatives included in AOCI related to cash flow hedges.

Net Investment Hedges

The Company entered into, and designated as net investment hedges in foreign operations, forward contracts to hedge a portion of the Company's foreign currency exchange rate risk associated with its investment in Threadneedle. As the Company determined that the forward contracts are effective, the change in fair value of the derivatives is recognized in AOCI as part of the foreign currency translation adjustment. For the three months ended September 30, 2023 March 31, 2024 and 2022, 2023, the Company recognized an immaterial gain and a gain loss of $2 million, and a gain of $8 million, respectively, in OCI. For the nine months ended September 30, 2023 and 2022, the Company recognized a loss of $1 million and a gain of $22 million, respectively, in OCI.

other comprehensive income (loss) ("OCI").

Credit Risk

Credit risk associated with the Company's derivatives is the risk that a derivative counterparty will not perform in accordance with the terms of the applicable derivative contract. To mitigate such risk, the Company has established guidelines and oversight of credit risk through a comprehensive enterprise risk management program that includes members of senior management. Key components of this

program are to require preapproval of counterparties and the use of master netting and collateral arrangements whenever practical. See Note 14 13 for additional information on the Company's credit exposure related to derivative assets.

Certain of the Company's derivative contracts contain provisions that adjust the level of collateral the Company is required to post based on the Company's debt rating (or based on the financial strength of the Company's life insurance subsidiaries for contracts in which those subsidiaries are the counterparty). Additionally, certain of the Company's derivative contracts contain provisions that allow the counterparty to terminate the contract if the Company's debt does not maintain a specific credit rating (generally an investment grade rating) or the Company's life insurance subsidiary does not maintain a specific financial strength rating. If these termination provisions were to be triggered, the Company's counterparty could require immediate settlement of any net liability position. As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, the aggregate fair value of derivative contracts in a net liability position containing such credit contingent provisions was $198 million $41 million and $240 million $65 million, respectively. The aggregate fair value of assets posted as collateral for such instruments as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023 was $196 million $39 million and $236 million $58 million, respectively. If the credit contingent provisions of derivative contracts in a net liability position as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023 were triggered, the aggregate fair value of additional assets that would be required to be posted as collateral or needed to settle the instruments immediately would have been $2 million and $4 million $7 million, respectively.

16. 15. Shareholders' Equity

The following tables present table presents the amounts related to each component of OCI:

	Three Months Ended September 30,					
	2023			2022		
	Pretax	Income Tax Benefit (Expense)	Net of Tax	Pretax	Income Tax Benefit (Expense)	Net of Tax
	(in millions)					
Net unrealized gains (losses) on securities:						
Net unrealized gains (losses) on securities arising during the period (1)	$ (854)	$ 190	$ (664)	$ (1,435)	$ 321	$ (1,114)
Reclassification of net (gains) losses on securities included in net income (2)	38	(8)	30	86	(18)	68
Impact of benefit reserves and reinsurance recoverables	14	(3)	11	20	(3)	17
Net unrealized gains (losses) on securities	(802)	179	(623)	(1,329)	300	(1,029)
Effect of changes in discount rate assumptions on certain long-duration contracts	221	(47)	174	306	(65)	241
Effect of changes in instrument-specific credit risk on MRBs	23	(5)	18	(4)	1	(3)
Defined benefit plans:						
Net gains (losses)	—	—	—	1	—	1
Defined benefit plans	—	—	—	1	—	1
Foreign currency translation	(76)	16	(60)	(160)	33	(127)
Total other comprehensive income (loss)	$ (634)	$ 143	$ (491)	$ (1,186)	$ 269	$ (917)

	Nine Months Ended September 30,

	2023			2022		
	Pretax	Income Tax Benefit (Expense)	Net of Tax	Pretax	Income Tax Benefit (Expense)	Net of Tax
	(in millions)					
Three Months Ended March 31, 2024 / 2023 — Pretax; Income Tax Benefit (Expense); Net of Tax (in millions)						
Net unrealized gains (losses) on securities:						
Net unrealized gains (losses) on securities arising during the period (1)						
Net unrealized gains (losses) on securities arising during the period (1)						
Net unrealized gains (losses) on securities arising during the period (1)	$(727)	$ 167	$(560)	$(4,467)	$ 996	$(3,471)
Reclassification of net (gains) losses on securities included in net income (2)	29	(6)	23	81	(17)	64
Impact of benefit reserves and reinsurance recoverables	8	(2)	6	110	(19)	91
Net unrealized gains (losses) on securities	(690)	159	(531)	(4,276)	960	(3,316)
Net unrealized gains (losses) on derivatives:						
Net unrealized gains (losses) on derivatives arising during the period	3	(1)	2	(1)	—	(1)
Net unrealized gains (losses) on derivatives arising during the period						
Net unrealized gains (losses) on derivatives arising during the period						
Net unrealized gains (losses) on derivatives						
Net unrealized gains (losses) on derivatives						

Net unrealized gains (losses) on derivatives	Net unrealized gains (losses) on derivatives	3	(1)	2	(1)	—	(1)
Effect of changes in discount rate assumptions on certain long-duration contracts	Effect of changes in discount rate assumptions on certain long-duration contracts	213	(45)	168	1,183	(252)	931
Effect of changes in instrument-specific credit risk on MRBs	Effect of changes in instrument-specific credit risk on MRBs	68	(15)	53	835	(178)	657
Defined benefit plans:							
Net gains (losses)		—	—	—	1	—	1
Defined benefit plans		—	—	—	1	—	1
Foreign currency translation							
Foreign currency translation							
Foreign currency translation	Foreign currency translation	18	(4)	14	(373)	78	(295)
Total other comprehensive income (loss)	Total other comprehensive income (loss)	$(388)	$ 94	$(294)	$(2,631)	$ 608	$(2,023)
Total other comprehensive income (loss)							
Total other comprehensive income (loss)							

(1) Includes impairments on Available-for-Sale securities related to factors other than credit that were recognized in OCI during the period.

(2) Reclassification amounts are recorded in Net investment income.

Other comprehensive income (loss) related to net unrealized gains (losses) on securities includes three components: (i) unrealized gains (losses) that arose from changes in the market value of securities that were held during the period; (ii) (gains) losses that were previously unrealized, but have been recognized in current period net income due to sales of Available-for-Sale securities and due to the reclassification of noncredit losses to credit losses; and (iii) other adjustments primarily consisting of changes in insurance and annuity asset and liability balances, such as benefit reserves and reinsurance recoverables, to reflect the expected impact on their carrying values had the unrealized gains (losses) been realized as of the respective balance sheet dates.

The following table presents the changes in the balances of each component of AOCI, net of tax:

Net Unrealized Gains (Losses) on Securities	Net Unrealized Gains (Losses) on Securities	Net Unrealized Gains (Losses) on Derivatives	Eff Cha Dis F Assu on C L Du Cor
(in millions)			

		Net Unrealized Gains (Losses) on Securities	Net Unrealized Gains (Losses) on Derivatives	Effect of Changes in Discount Rate Assumptions on Certain Long-Duration Contracts	Effect of Changes in Instrument-Specific Credit Risk on MRBs	Defined Benefit Plans	Foreign Currency Translation	Other	Total				
		(in millions)											
Balance at July 1, 2023		$(1,951)	$ 5	$ (78)	$ 15	$ (75)	$ (264)	$(1)	$(2,349)				
Balance at January 1, 2024													
Balance at January 1, 2024													
Balance at January 1, 2024											$(1,241)	$ 5	$ (126)
OCI before reclassifications													
OCI before reclassifications													
OCI before reclassifications											(178)	—	69
Total OCI													
Total OCI													
Total OCI											(178)	—	69
Balance at March 31, 2024										Balance at March 31, 2024	$(1,419)	$ 5	$ (57)
Balance at January 1, 2023													
Balance at January 1, 2023													
Balance at January 1, 2023											$(2,043)	$ 3	$ (72)
OCI before reclassifications													
OCI before reclassifications													
OCI before reclassifications	OCI before reclassifications	(653)	—	174	18	—	(60)	—	(521)		432	2	(65)
Amounts reclassified from AOCI	Amounts reclassified from AOCI	30	—	—	—	—	—	—	30	Amounts reclassified from AOCI	(2)		
Total OCI	Total OCI	(623)	—	174	18	—	(60)	—	(491)	Total OCI	430	2	(65)
Balance at September 30, 2023		$(2,574)	$ 5	$ 96	$ 33	$ (75)	$ (324)	$(1)	$(2,840)				
Balance at July 1, 2022		$(1,254)	$ 3	$ (243)	$ 233	$(151)	$ (335)	$(1)	$(1,748)				
OCI before reclassifications		(1,097)	—	241	(3)	1	(127)	—	(985)				
Amounts reclassified from AOCI		68	—	—	—	—	—	—	68				
Total OCI		(1,029)	—	241	(3)	1	(127)	—	(917)				
Balance at September 30, 2022		$(2,283)	$ 3	$ (2)	$ 230	$(150)	$ (462)	$(1)	$(2,665)				
Balance at January 1, 2023		$(2,043)	$ 3	$ (72)	$ (20)	$ (75)	$ (338)	$(1)	$(2,546)				
OCI before reclassifications		(554)	2	168	53	—	14	—	(317)				
Amounts reclassified from AOCI		23	—	—	—	—	—	—	23				
Total OCI		(531)	2	168	53	—	14	—	(294)				
Balance at September 30, 2023		$(2,574)	$ 5	$ 96	$ 33	$ (75)	$ (324)	$(1)	$(2,840)				
Balance at January 1, 2022		$ 1,033	$ 4	$ (933)	$ (427)	$(151)	$ (167)	$(1)	$ (642)				
OCI before reclassifications		(3,380)	(1)	931	657	1	(295)	—	(2,087)				
Amounts reclassified from AOCI		64	—	—	—	—	—	—	64				
Total OCI		(3,316)	(1)	931	657	1	(295)	—	(2,023)				
Balance at September 30, 2022		$(2,283)	$ 3	$ (2)	$ 230	$(150)	$ (462)	$(1)	$(2,665)				
Balance at March 31, 2023										Balance at March 31, 2023	$(1,613)	$ 5	$ (137)

For the nine three months ended September 30, 2023 March 31, 2024 and 2022, 2023, the Company repurchased a total of 4.7 million 1.2 million shares and 5.0 million 1.6 million shares, respectively, of its common stock for an aggregate cost of $1.5 billion $507 million and $1.4 billion $506 million, respectively. In January 2022, the Company's Board of Directors authorized an additional $3.0 billion for the repurchase of the Company's common stock through March 31, 2024. On July 24, 2023, the Company's Board of Directors authorized an additional $3.5 billion $3.5 billion for the repurchase of the Company's common stock through September 30, 2025. As of September 30, 2023 March 31, 2024, the Company had $3.6 $2.6 billion remaining under these this share repurchase authorizations. authorization.

The Company may also reacquire shares of its common stock under its share-based compensation plans related to restricted stock awards and certain option exercises. The holders of restricted shares may elect to surrender a portion of their shares on the vesting date to cover their income tax obligation. These vested restricted shares are reacquired by the Company and the Company's payment of the holders' income tax obligations are recorded as a treasury share purchase.

For the nine three months ended September 30, 2023 March 31, 2024 and 2022, 2023, the Company reacquired 0.3 million shares and 0.3 million shares, respectively, of its common stock through the surrender of shares upon vesting and paid in the aggregate $99 million and $99 $87 million, respectively, related to the holders' income tax obligations on the vesting date. Option holders may elect to net settle their vested awards resulting in the surrender of the number of shares required to cover the strike price and tax obligation of the options exercised. These shares are reacquired by the Company and recorded as treasury shares. For the nine three months ended September 30, 2023 March 31, 2024 and

2022, 2023, the Company reacquired 0.3 million 0.2 million shares and 0.3 million 0.2 million shares, respectively, of its common stock through the net settlement of options for an aggregate value of $109 million $99 million and $87 million $63 million, respectively.

During the nine three months ended September 30, 2023 March 31, 2024 and 2022, 2023, the Company reissued 0.6 million 0.7 million and 0.7 million 0.6 million, respectively, treasury shares for restricted stock award grants, performance share units and issuance of shares vested under advisor deferred compensation plans.

17. 16. Income Taxes

The Company's effective tax rate was 21.8% 18.8% and 20.5% 15.9% for the three months ended September 30, 2023 March 31, 2024 and 2022, respectively. The Company's effective tax rate was 20.5% and 19.7% for the nine months ended September 30, 2023 and 2022, 2023, respectively.

The effective tax rate for the three months ended September 30, 2023 was higher than the statutory rate as a result of state income taxes, net of federal benefit. The effective tax rate for the nine months ended September 30, 2023 March 31, 2024 was lower than the statutory rate as a result of tax preferred items including incentive compensation and foreign tax credits net of addback, partially offset by state income taxes, net of federal benefit.

The effective tax rate for the three months ended September 30, 2022 was lower than the statutory rate as a result of tax preferred items, partially offset by state income taxes, net of federal benefit. The effective tax rate for the nine months ended September 30, 2022 March 31, 2023 was lower than the statutory rate as a result of tax preferred items including incentive compensation, foreign tax credits net of addback, the dividends received deduction and low income housing tax credits, partially offset by state income taxes, net of federal benefit.

The higher effective tax rate for the three months ended March 31, 2024 compared to the three months ended March 31, 2023 was primarily the result of higher pretax income and a decrease in foreign tax credits net of addback, partially offset by an increase in incentive compensation compared to the prior period.

Included in the Company's deferred income tax assets are tax benefits related to state net operating losses of $30 million $32 million, net of federal benefit, which will expire beginning December 31, 2023 December 31, 2024 and foreign net operating losses of $37 million $42 million, which do not expire.

The Company is required to establish a valuation allowance for any portion of its deferred tax assets that management believes will not be realized. Significant judgment is required in determining if a valuation allowance should be established and the amount of such allowance if required. Factors used in making this determination include estimates relating to the performance of the business. Consideration is given to, among other things in making this determination: (i) future taxable income exclusive of reversing temporary differences and carryforwards; (ii) future reversals of existing taxable temporary differences; (iii) taxable income in prior carryback years; and (iv) tax planning strategies. Based on analysis of the Company's tax position as of September 30, 2023 March 31, 2024, management believes it is more likely than not that the Company will not realize certain state net operating losses of $29 million and $31 million, state deferred tax assets of $2 million, (both net of federal benefit, benefit), and foreign net operating losses of $37 million $33 million; therefore, a valuation allowance has been established. The valuation allowance was $68 million $66 million and $65 million as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively.

As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, the Company had $137 million $156 million and $138 million $150 million, respectively, of gross unrecognized tax benefits. If recognized, approximately $109 million $126 million and $106 million $120 million, net of federal tax benefits, of unrecognized tax benefits as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively, would affect the effective tax rate. During the second quarter of 2023, the Company had additions to its gross unrecognized tax benefits for tax positions of prior years of $71 million and reductions to its gross unrecognized tax benefits of prior years of $80 million.

It is reasonably possible that the total amount of unrecognized tax benefits will change in the next 12 months. The Company estimates that the total amount of gross unrecognized tax benefits may decrease by approximately $26 million $27 million in the next 12 months primarily due to expected exam closures and state statutes of limitations expirations.

The Company recognizes interest and penalties related to unrecognized tax benefits as a component of the income tax provision. The Company recognized a net increase of $2 million and $10 million $1 million in interest and penalties for the three and nine months ended September 30, 2023, respectively. The Company recognized nil March 31, 2024 and a net increase of $2 million in interest and penalties for the three and nine months ended September 30, 2022, 2023, respectively. As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, the Company had a payable of $24 million $28 million and $14 million $26 million, respectively, related to accrued interest and penalties.

The Company or one or more of its subsidiaries files income tax returns in the U.S. federal jurisdiction and various state and foreign jurisdictions. The federal statute of limitations are closed on years through 2015. A previously open item for 2014 and 2015 was resolved in the second quarter of 2023. Also in the second quarter of 2023, the Internal Revenue

Service ("IRS") audit for tax years 2016 through 2018 was finalized. The IRS is currently auditing the Company's U.S. income tax returns for 2019 and 2020. The Company's state income tax returns are currently under examination by various jurisdictions for years ranging from 2017 through 2021.

The Company is an applicable corporation required to compute corporate alternative minimum tax ("CAMT"); however, based on current estimates the Company does not expect to be liable for the CAMT in 2023 2024 and therefore a liability has not been recorded.

In December 2021, the Organization for Economic Co-operation and Development published the Pillar Two model rules which introduce new taxing mechanisms aimed at ensuring multinational enterprises pay a minimum level of tax on profits from each jurisdiction in which they operate. Various jurisdictions that the Company operates in have enacted or substantively enacted legislation that became effective beginning January 1, 2024. The Company intends to rely on Pillar Two transitional safe harbors where available and, based on its current estimate, has not recorded any Pillar Two tax liabilities. The Company continues to monitor the adoption and implementation of these rules and evaluate the potential impact on its consolidated financial statements.

Index

18. 17. Contingencies

Contingencies

The Company and its subsidiaries are involved in the normal course of business in legal proceedings which include regulatory inquiries, arbitration and litigation, including class actions, concerning matters arising in connection with the conduct of its activities as a diversified financial services firm. These include proceedings specific to the Company as well as proceedings generally applicable to business practices in the industries in which it operates. The Company can also be subject to legal proceedings arising out of its general business activities, such as its investments, contracts, leases and employment relationships. Uncertain economic conditions, heightened and sustained volatility in the financial markets and significant financial reform legislation may increase the likelihood that clients and other persons or regulators may present or threaten legal claims or that regulators increase the scope or frequency of examinations of the Company or the financial services industry generally.

As with other financial services firms, the level of regulatory activity and inquiry concerning the Company's businesses remains elevated. From time to time, the Company receives requests for information from, and/or has been subject to examination or claims by, the SEC, the Financial Industry Regulatory Authority, the OCC, the U.K. Financial Conduct Authority, the Federal Reserve Board, state insurance and securities regulators, state attorneys general and various other domestic and foreign governmental and quasi-governmental authorities on behalf of themselves or clients concerning the Company's business activities and practices, and the practices of the Company's financial advisors. The Company typically has numerous pending matters which include information requests, exams or inquiries regarding certain subjects, including from time to time: sales and distribution of, and disclosure practices related to, mutual and other pooled funds, exchange traded funds, private funds, segregated accounts, annuities, equity and fixed income securities, real estate investment trusts, insurance products, banking products and financial advice offerings, including managed accounts; wholesaler activity; supervision of the Company's financial advisors and other associated persons; administration of insurance and annuity claims; security of client information; trading activity and the Company's monitoring and supervision of such

Index

activity; recordkeeping requirements; and transaction monitoring systems and controls. The Company is cooperating with the applicable regulators. In connection with one such matter, the Company has been responding responded to SEC document and information requests regarding the preservation of certain business-related communications sent on electronic messaging platforms that have not been approved by the Company. The During 2023, the Company has engaged in certain resolution discussions regarding this matter and, in the third quarter of 2023, recorded a $20 $50 million accrual for this matter within our introducing broker dealer subsidiary, but there is no assurance subsidiary. The Company has reached an agreement in principle with the Staff, subject to Commission approval, that these discussions will lead to a resolution. it believes resolves this matter. As of March 31, 2024, the related liability was $50 million.

These pending matters are subject to uncertainties and, as such, it is inherently difficult to determine whether any loss is probable or even reasonably possible, or to reasonably estimate the amount of any loss that may result from such matters. The Company cannot predict with certainty if, how, or when any such proceedings will be initiated or resolved. Matters frequently need to be more developed before a potential loss or range of loss can be reasonably estimated for any matter. An adverse outcome in any matter could result in an adverse judgment, a settlement, fine, penalty, or other sanction, and may lead to further claims, examinations, or adverse publicity each of which could have a material adverse effect on the Company's consolidated results of operations, financial condition, or liquidity.

In accordance with applicable accounting standards, the Company establishes an accrued liability for contingent litigation and regulatory matters when those matters present loss contingencies that are both probable and can be reasonably estimated. The Company discloses the nature of the contingency when management believes there is at least a reasonable possibility that the outcome may be material to the Company's consolidated financial statements and, where feasible, an estimate of the possible loss. In such cases, there still may be an exposure to loss in excess of any amounts reasonably estimated and accrued. When a loss contingency is not both probable and reasonably estimable, the Company does not establish an accrued liability, but continues to monitor, in conjunction with any outside counsel handling a matter, further developments that would make such loss contingency both probable and reasonably estimable. Once the Company establishes an accrued liability with respect to a loss contingency, the Company continues to monitor the matter for further developments that could affect the amount of the accrued liability that has been previously established, and any appropriate adjustments are made each quarter.

Index

Guaranty Fund Assessments

RiverSource Life Insurance Company ("RiverSource Life") and RiverSource Life Insurance Co. of New York ("RiverSource Life of NY") are required by law to be a member of the guaranty fund association in every state where they are licensed to do business. In the event of insolvency of one or more unaffiliated insurance companies, the Company could be adversely affected by the requirement to pay assessments to the guaranty fund associations. The Company projects its cost of future guaranty fund assessments based on estimates of insurance company insolvencies provided by the National Organization of Life and Health Insurance Guaranty Associations and the amount of its premiums written relative to the industry-wide premium in each state. The Company accrues the estimated cost of future guaranty fund assessments when it is considered probable that an assessment will be imposed, the event obligating the Company to pay the assessment has occurred and the amount of the assessment can be reasonably estimated.

The Company has a liability for estimated guaranty fund assessments and a related premium tax asset. As of September 30, 2023 both March 31, 2024 and December 31, 2022 December 31, 2023, the estimated liability was $37 million and $12 million, respectively. $34 million. As of September 30, 2023 both March 31, 2024 and December 31, 2022 December 31, 2023, the related premium tax asset was $31 million and $10 million, respectively. $29 million. The expected period over which guaranty fund assessments will be made and the related tax credits recovered is not known.

19.

Index

18. Earnings per Share

The computations of basic and diluted earnings per share were as follows:

		Three Months Ended September 30,		Nine Months Ended September 30,	
		2023	2022	2023	2022
		(in millions, except per share amounts)			
		Three Months Ended March 31,			
		Three Months Ended March 31,			
2024		2024		2023	
(in millions, except per share amounts)				(in millions, except per share amounts)	
Numerator:	**Numerator:**				
Net income					
Net income					
Net income	Net income	$ 872	$1,061	$2,179	$2,500
Denominator:	**Denominator:**				
Denominator:					
Denominator:					
Basic: Weighted-average common shares outstanding					
Basic: Weighted-average common shares outstanding					
Basic: Weighted-average common shares outstanding	Basic: Weighted-average common shares outstanding	104.9	110.5	106.4	112.1
Effect of potentially dilutive nonqualified stock options and other share-based awards	Effect of potentially dilutive nonqualified stock options and other share-based awards	2.2	2.2	2.1	2.3
Diluted: Weighted-average common shares outstanding	Diluted: Weighted-average common shares outstanding	107.1	112.7	108.5	114.4
Earnings per share:	**Earnings per share:**				
Earnings per share:					

Earnings per share:					
Basic					
Basic					
Basic	Basic	$8.31	$ 9.60	$20.48	$22.30
Diluted	Diluted	$8.14	$ 9.41	$20.08	$21.85

The calculation of diluted earnings per share excludes the incremental effect of nil and 0.3 million options for both the three months ended September 30, 2023 March 31, 2024 and 2022, and 0.2 million options for both the nine months ended September 30, 2023 and 2022, 2023, respectively, due to their anti-dilutive effect.

20. 19. Segment Information

The Company's four reporting segments are Advice & Wealth Management, Asset Management, Retirement & Protection Solutions and Corporate & Other.

The accounting policies of the segments are the same as those of the Company, except for operating adjustments defined below, the method of capital allocation, the accounting for gains (losses) from intercompany revenues and expenses and not providing for income taxes on a segment basis.

Management uses segment adjusted operating measures in goal setting, as a basis for determining employee compensation and in evaluating performance on a basis comparable to that used by some securities analysts and investors. Consistent with GAAP accounting guidance for segment reporting, adjusted operating earnings is the Company's measure of segment performance. Adjusted operating earnings should not be viewed as a substitute for GAAP pretax income. The Company believes the presentation of segment adjusted operating earnings, as the Company measures it for management purposes, enhances the understanding of its business by reflecting the underlying performance of its core operations and facilitating a more meaningful trend analysis.

Effective in the third quarter of 2021, management has excluded the impacts of block transfer reinsurance transactions from the adjusted operating measures.

Adjusted operating earnings is defined as adjusted operating net revenues less adjusted operating expenses. Adjusted operating net revenues and adjusted operating expenses exclude net realized investment gains or losses (net of reinsurance accrual); the market impact on non-traditional long-duration products (including variable and fixed deferred annuity contracts and UL insurance contracts), net of hedges and reinsurance accrual; mean reversion related impacts (the impact on VUL products for the difference between

assumed and updated separate account investment performance on the reinsurance accrual and additional insurance benefit reserves); the market impact of hedges to offset interest rate and currency changes on unrealized gains or losses for certain investments; block transfer reinsurance transaction impacts; gain or loss on disposal of a business that is not considered discontinued operations; integration and restructuring charges; and the impact of consolidating CIEs. The market impact on non-traditional long-duration products includes changes in market risk benefits and embedded derivative values caused by changes in financial market conditions, net of changes in economic hedge values and unhedged items including the difference between assumed and actual underlying separate account investment performance, fixed income credit exposures, transaction costs and certain policyholder contract elections. The market impact also includes certain valuation adjustments made in accordance with FASB Accounting Standards Codification 820, *Fair Value Measurements and Disclosures*, including the impact on embedded derivative values of discounting projected benefits to reflect a current estimate of the Company's life insurance subsidiary's RiverSource Life companies' nonperformance spread.

Concurrent with the adoption of ASU 2018-12Index, management no longer excludes adjustments for DAC, DSIC and unearned revenue amortization. Amortization of DAC, DSIC and unearned revenue for long-duration contracts are no longer impacted by markets and are now amortized on a constant-level basis.

The following tables summarize selected financial information by segment and reconcile segment totals to those reported on the consolidated financial statements:

		September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
			(in millions)		
Advice & Wealth Management	Advice & Wealth Management	$ 41,025	$ 35,132		
Asset Management	Asset Management	7,124	7,967		
Retirement & Protection Solutions	Retirement & Protection Solutions	100,609	98,901		
Corporate & Other	Corporate & Other	16,378	16,852		
Total assets	Total assets	$165,136	$158,852		

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022

	(in millions)		Three Months Ended March 31,	
	2024		2024	2023
	(in millions)			(in millions)
Adjusted operating net revenues:				
Advice & Wealth Management				
Advice & Wealth Management	$2,407	$2,137	$ 7,015	$ 6,235
Asset Management	826	823	2,433	2,721
Retirement & Protection Solutions	876	783	2,558	2,311
Corporate & Other	143	115	417	350
Elimination of segment revenues (1)(2)	(337)	(316)	(984)	(1,005)
Elimination of segment revenues (1)				
Total segment adjusted operating net revenues	3,915	3,542	11,439	10,612
Adjustments:				
Net realized investment gains (losses)	(38)	(88)	(32)	(86)
Net realized investment gains (losses)				
Market impact on non-traditional long-duration products	3	(1)	4	2
Mean reversion related impacts	—	—	—	(1)
Revenue attributable to consolidated investment entities				
Revenue attributable to consolidated investment entities	45	31	132	68
Total net revenues per consolidated statements of operations	$3,925	$3,484	$11,543	$10,595
Total net revenues per consolidated statements of operations				

Total net revenues per consolidated statements of operations

(1) Represents the elimination of intersegment revenues recognized for the three months ended September 30, 2023 March 31, 2024 and 2022 2023 in each segment as follows: Advice & Wealth Management ($217 225 million and $202 million $201 million, respectively); Asset Management ($21 24 million and $14 million $17 million, respectively); Retirement & Protection Solutions ($104 106 million and $101 million $102 million, respectively); and Corporate & Other ($(5) (7) million and $(1) $(4) million, respectively).

(2) Represents the elimination of intersegment revenues recognized for the nine months ended September 30, 2023 and 2022 in each segment as follows: Advice & Wealth Management ($629 million and $651 million, respectively); Asset Management ($57 million and $37 million, respectively); Retirement & Protection Solutions ($310 million and $318 million, respectively); and Corporate & Other ($(12) million and $(1) million, respectively).

Index

AMERIPRISE FINANCIAL, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (Continued)

Three Months Ended March 31,

	Three Months Ended September 30, 2023	Three Months Ended September 30, 2022	Nine Months Ended September 30, 2023	Nine Months Ended September 30, 2022
	2024			2023
	(in millions)			
Adjusted operating earnings:				
Advice & Wealth Management				
Advice & Wealth Management				
Advice & Wealth Management	$ 729	$ 595	$2,153	$1,527
Asset Management	199	191	526	698
Retirement & Protection Solutions	100	325	483	668
Corporate & Other	(72)	(78)	(206)	(219)
Total segment adjusted operating earnings	956	1,033	2,956	2,674
Adjustments:				
Net realized investment gains (losses)	(38)	(88)	(32)	(86)
Net realized investment gains (losses)				
Net realized investment gains (losses)				
Market impact on non-traditional long-duration products	211	405	(137)	566
Mean reversion related impacts	—	(1)	—	(3)
Integration/restructuring charges				
Integration/restructuring charges				
Integration/restructuring charges	(12)	(11)	(47)	(35)
Net income (loss) attributable to consolidated investment entities	—	(3)	—	(2)
Pretax income per consolidated statements of operations	$1,117	$1,335	$2,740	$3,114
Pretax income per consolidated statements of operations				
Pretax income per consolidated statements of operations				

(in millions)

Index

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our consolidated results of operations and financial condition should be read in conjunction with the "Forward-Looking Statements" that follow and our Consolidated Financial Statements and Notes presented in Item 1. Our Management's Discussion and Analysis should be read in conjunction with our Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023, filed with the Securities and Exchange Commission ("SEC") on February 23, 2023 February 22, 2024 ("2022 2023 10-K"), as well as our quarterly reports on Form 10-Q and current reports on Form 8-K. References below to "Ameriprise Financial," "Ameriprise," the "Company," "we," "us," and "our" refer to Ameriprise Financial, Inc. exclusively, to our entire family of companies, or to one or more of our subsidiaries.

Overview

Ameriprise Financial is a diversified financial services company with a more than 125-year nearly 130-year history of providing financial solutions. We are a long-standing leader in financial planning and advice with $1.2 trillion $1.4 trillion in assets under management and administration as of September 30, 2023 March 31, 2024. We offer a broad range of products and services designed to achieve individual and institutional clients' financial objectives.

The products and services we provide retail clients and, to a lesser extent, institutional clients, are the primary source of our revenues and net income. Revenues and net income are significantly affected by investment performance and the total value and composition of assets we manage and administer for our retail and institutional clients as well as the distribution fees we receive from other companies. These factors, in turn, are largely determined by overall investment market performance and the depth and breadth of our individual client relationships.

We operate our business in the broader context of the macroeconomic forces around us, including the global and U.S. economies, changes in interest and inflation rates, financial market volatility, fluctuations in foreign exchange rates, geopolitical strain, pandemics, the competitive environment, client and customer activities and preferences, and the various regulatory and legislative developments. Financial markets and macroeconomic conditions have had and will continue to have a significant impact on our operating and performance results. In addition, the business, political and regulatory environments in which we operate are subject to elevated uncertainty and substantial, frequent change. Accordingly, we expect to continue focusing on our key strategic objectives and obtaining operational and strategic leverage from our core capabilities. The success of these and other strategies may be affected by the factors discussed in Item 1A, "Risk Factors" in our 2022 2023 10-K and other factors as discussed herein.

Equity price, credit market and interest rate fluctuations can have a significant impact on our results of operations, primarily due to the effects they have on the asset management and other asset-based fees we earn, the values of market risk benefits and embedded derivatives associated with our variable annuities and the values of derivatives held to hedge these benefits and the "spread" income generated on our deposit products, fixed insurance, the fixed portion of variable annuities and variable insurance contracts and fixed deferred annuities. We have been operating in a historically low interest rate environment but have recently experienced a substantial increase in rates with uncertainty about where rates will go in the future. A higher (lower) interest rate environment may result in decreases (increases) to our long-duration contract reserves, which may impact our adjusted operating earnings after tax. For additional discussion on our interest rate risk, see Item 3. "Quantitative and Qualitative Disclosures About Market Risk."

In the third quarter, we updated our market-related assumptions and implemented model changes related to our living benefit valuation. In addition, we conducted our annual review of life insurance, annuity and long term care ("LTC") valuation assumptions relative to current experience and management expectations including modeling changes. These aforementioned changes are collectively referred to as unlocking. See our Consolidated and Segment Results of Operations sections for the pretax impacts on our revenues and expenses attributable to unlocking.

On July 13, 2023, we announced that we withdrew our application to convert Ameriprise Bank, FSB ("Ameriprise Bank") to a state-chartered industrial bank and our application to establish a new limited purpose national trust bank. Ameriprise Bank will continue to operate as it does today, regulated by the Office of the Comptroller of the Currency and the Federal Deposit Insurance Corporation. These changes are not expected to impact our long-term growth strategy for Ameriprise Bank, and we will continue to offer our strong lineup of banking solutions, including deposits, credit cards, mortgages and securities-based lending to our wealth management clients without interruption.

We consolidate certain variable interest entities for which we provide asset management services. These entities are defined as consolidated investment entities ("CIEs"). While the consolidation of the CIEs impacts our balance sheet and income statement, our exposure to these entities is unchanged and there is no impact to the underlying business results. For further information on CIEs, see Note 5 4 to our Consolidated Financial Statements. The results of operations of the CIEs are reflected in the Corporate & Other segment. On a consolidated basis, the management fees we earn for the services we provide to the CIEs and the related general and administrative expenses are eliminated and the changes in the fair value of assets and liabilities related to the CIEs, primarily syndicated loans and debt, are reflected in Net investment income. We include the fees from these entities in the Management and financial advice fees line within our Asset Management segment.

Index

AMERIPRISE FINANCIAL, INC.

While our consolidated financial statements are prepared in accordance with U.S. generally accepted accounting principles ("GAAP"), management believes that adjusted operating earnings measures, which exclude net realized investment gains or losses, net of reinsurance accrual; the market impact on non-traditional long-duration products (including variable and fixed deferred annuity contracts and universal life ("UL") insurance contracts), net of hedges and the reinsurance accrual; mean reversion related impacts (the impact on variable universal life ("VUL") products for the difference between assumed and updated separate account investment performance on the reinsurance accrual and additional insurance benefit reserves); the market impact of hedges to offset interest rate and currency changes on unrealized gains or losses for certain investments; block transfer reinsurance transaction impact; gain or loss on disposal of a business that is not considered discontinued operations; integration and restructuring charges; income (loss) from discontinued operations; and the impact of consolidating CIEs, best reflect the underlying performance of our core operations and facilitate a more meaningful trend analysis.

Index

AMERIPRISE FINANCIAL, INC.

The market impact on non-traditional long-duration products includes changes in market risk benefits and embedded derivative values caused by changes in financial market conditions, net of changes in economic hedge values and unhedged items including the difference between assumed and actual underlying separate account investment performance, fixed income credit exposures, transaction costs and certain policyholder contract elections. The market impact also includes certain valuation adjustments made in accordance with FASB Financial Accounting Standards Board Accounting Standards Codification 820, *Fair Value Measurements and Disclosures*, including the impact on embedded derivative values of discounting projected benefits to reflect a current estimate of our life insurance subsidiary's nonperformance spread.

In the first quarter of 2023, management introduced an adjusted capital measure ("Available Capital for Capital Adequacy"), which management believes best reflects the available capital resources of our core operations and facilitates a meaningful trend analysis. Available Capital for Capital Adequacy adjusts GAAP total equity and excludes accumulated other comprehensive income ("AOCI"); goodwill and intangibles; RiverSource Life Insurance Company's GAAP equity excluding AOCI; and includes RiverSource Life Insurance Company's statutory total adjusted capital prepared in conformity with accounting practices prescribed or permitted by the State of Minnesota Department of Commerce; and other adjustments, primarily certain deferred tax balances.

Management uses these non-GAAP measures to evaluate our financial performance and available capital on a basis comparable to that used by some securities analysts and investors. Also, certain of these non-GAAP measures are taken into consideration, to varying degrees, for purposes of business planning and analysis and for certain compensation-related matters. Throughout our Management's Discussion and Analysis, these non-GAAP measures are referred to as adjusted operating measures. These non-GAAP measures should not be viewed as a substitute for U.S. GAAP measures.

Concurrent with the adoption of ASU 2018-12, *Targeted Improvements to the Accounting for Long-Duration Contracts*, management no longer excludes adjustments for deferred acquisition costs ("DAC"), deferred sales inducement costs ("DSIC") and unearned revenue amortization from adjusted operating earnings measures. Amortization of DAC, DSIC, and unearned revenue is no longer impacted by markets and is now amortized on a constant-level basis in accordance with GAAP.

It is management's priority to increase shareholder value over a multi-year horizon by achieving our on-average, over-time financial targets.

Our financial targets are:

- Adjusted operating earnings per diluted share growth of 12% to 15%, and
- Adjusted operating return on equity of over 30%.

The following tables reconcile table reconciles our GAAP measures to adjusted operating measures:

			Per Diluted Share	
	Three Months Ended September 30,		Three Months Ended September 30,	
	2023	2022	2023	2022
	(in millions, except per share amounts)			
Net income (loss)	$ 872	$ 1,061	$ 8.14	$ 9.41
Adjustments:				
Net realized investment gains (losses) (1)	(38)	(88)	(0.35)	(0.78)
Market impact on non-traditional long-duration products (1)	211	405	1.96	3.60
Mean reversion related impacts (1)	—	(1)	—	(0.01)
Integration/restructuring charges (1)	(12)	(11)	(0.11)	(0.10)
Net income (loss) attributable to CIEs	—	(3)	—	(0.03)
Tax effect of adjustments (2)	(34)	(64)	(0.32)	(0.57)
Adjusted operating earnings	$ 745	$ 823	$ 6.96	$ 7.30
Weighted average common shares outstanding:				
Basic	104.9	110.5		
Diluted	107.1	112.7		

	Three Months Ended March 31,
	Three Months Ended March 31,
	Three Months Ended March 31,
	2024
	2024
	2024
	(in millions, except per share amounts)
	(in millions, except per share amounts)
	(in millions, except per share amounts)
Net income (loss)	
Net income (loss)	
Net income (loss)	

Less Adjustments:
Less Adjustments:
Less Adjustments:
Net realized investment gains (losses) (1)
Net realized investment gains (losses) (1)
Net realized investment gains (losses) (1)
Market impact on non-traditional long-duration products (1)
Market impact on non-traditional long-duration products (1)
Market impact on non-traditional long-duration products (1)

	Nine Months Ended September 30,		Per Diluted Share Nine Months Ended September 30,	
	2023	2022	2023	2022
	(in millions, except per share amounts)			
Net income (loss)	$ 2,179	$ 2,500	$ 20.08	$ 21.85
Adjustments:				
Net realized investment gains (losses) (1)	(32)	(86)	(0.29)	(0.75)
Market impact on non-traditional long-duration products (1)	(137)	566	(1.27)	4.95
Mean reversion related impacts (1)	—	(3)	—	(0.03)
Integration/restructuring charges (1)	(47)	(35)	(0.43)	(0.31)
Net income (loss) attributable to CIEs	—	(2)	—	(0.02)
Tax effect of adjustments (2)	45	(93)	0.41	(0.81)
Adjusted operating earnings	$ 2,350	$ 2,153	$ 21.66	$ 18.82
Weighted average common shares outstanding:				
Basic	106.4	112.1		
Diluted	108.5	114.4		

(1) Pretax adjusted operating adjustments.

(2) Calculated using the statutory federal tax rate of 21%.

[Index]

AMERIPRISE FINANCIAL, INC.

The following table reconciles the trailing twelve months' sum of net income to adjusted operating earnings and the five-point average of quarter-end equity to adjusted operating equity:

	Twelve Months Ended September 30,	Twelve Months Ended March 31,

	2023	2022	2024	2023
	(in millions)			
Net income	$2,828	$3,200		
Less: Adjustments (1)	(254)	332		
Adjusted operating earnings	3,082	2,868		
Total Ameriprise Financial, Inc. shareholders’ equity	3,894	4,367		
Total Ameriprise Financial, Inc. shareholders’ equity				
Total Ameriprise Financial, Inc. shareholders’ equity				
Less: AOCI, net of tax	(2,477)	(1,383)		
Total Ameriprise Financial, Inc. shareholders’ equity, excluding AOCI	6,371	5,750		
Less: Equity impacts attributable to CIEs	(3)	1		
Adjusted operating equity	$6,374	$5,749		
Return on equity, excluding AOCI	44.4 %	55.7 %		
Return on equity, excluding AOCI				
Return on equity, excluding AOCI			48.1 %	45.2 %
Adjusted operating return on equity, excluding AOCI (2)	48.4 %	49.9 %		
Adjusted operating return on equity, excluding AOCI (2)			49.0 %	49.5 %

(1) Adjustments reflect the sum of after-tax net realized investment gains/losses, net of the reinsurance accrual; the market impact on non-traditional long-duration products (including variable and fixed deferred annuity contracts and UL insurance contracts), net of hedges and related reinsurance accrual; mean reversion related impacts; block transfer reinsurance transaction impacts; the market impact of hedges to offset interest rate and currency changes on unrealized gains or losses for certain investments; gain or loss on disposal of a business that is not considered discontinued operations; integration and restructuring charges; income (loss) from discontinued operations; and net income (loss) from consolidated investment entities. After-tax is calculated using the statutory tax rate of 21%.

(2) Adjusted operating return on equity, excluding AOCI is calculated using adjusted operating earnings in the numerator, and Ameriprise Financial shareholders’ equity, excluding AOCI and the impact of consolidating investment entities using a five-point average of quarter-end equity in the denominator. After-tax is calculated using the statutory tax rate of 21%.

The following table reconciles GAAP total equity to Available Capital for Capital Adequacy:

	September 30, 2023	December 31, 2022
	(in millions)	

		March 31, 2024	March 31, 2024	December 31, 2023
	(in millions)			(in millions)
Ameriprise Financial, Inc. GAAP total equity	Ameriprise Financial, Inc. GAAP total equity	$ 3,825	$ 3,803	
Less: AOCI	Less: AOCI	(2,840)	(2,546)	
Ameriprise Financial, Inc. GAAP total equity, excluding AOCI	Ameriprise Financial, Inc. GAAP total equity, excluding AOCI	6,665	6,349	
Less: RiverSource Life Insurance Company GAAP equity, excluding AOCI	Less: RiverSource Life Insurance Company GAAP equity, excluding AOCI	2,084	2,057	
Add: RiverSource Life Insurance Company statutory total adjusted capital	Add: RiverSource Life Insurance Company statutory total adjusted capital	2,842	3,103	
Less: Goodwill and intangibles	Less: Goodwill and intangibles	2,487	2,485	
Add: Other adjustments	Add: Other adjustments	311	299	
Available Capital for Capital Adequacy	Available Capital for Capital Adequacy	$ 5,247	$ 5,209	

Critical Accounting Estimates

The accounting and reporting policies that we use affect our Consolidated Financial Statements. Certain of our accounting and reporting policies are critical to an understanding of our consolidated results of operations and financial condition and, in some cases, the application of these policies can be significantly affected by the estimates, judgments and assumptions made by management during the preparation of our Consolidated Financial Statements. The These accounting policies are discussed in detail in “Management’s Discussion and reporting policies and estimates we have identified as fundamental to a full understanding of our consolidated results of operations and financial condition are described below. See Note 2 to our Consolidated Financial Statements for further information about our accounting policies.

Valuation of Investments

The most significant component of our investments is our Available-for-Sale securities, which we carry at fair value within our Consolidated Balance Sheets. See Note 13 to our Consolidated Financial Statements for discussion of the fair value of our Available-for-Sale securities. Financial markets are subject to significant movements in valuation and liquidity, which can impact our ability to liquidate and the selling price that can be realized for our securities and increases the use of judgment in determining the estimated fair value of certain investments. We are unable to predict impacts and determine sensitivities in reported amounts reflecting such market movements on our aggregate Available-for-Sale portfolio. Changes to these assumptions do not occur in isolation and it is impracticable to predict such impacts at the individual security unit of measure which are predominately Level 2 fair value and based on observable inputs.

Market Risk Benefits

Market risk benefits are contracts or contract features that both provide protection to the contractholder from other-than-nominal capital market risk and expose us to other-than-nominal capital market risk. Market risk benefits include certain contract features on variable annuity products that provide minimum guarantees to policyholders. Guarantees accounted for as market risk benefits include guaranteed minimum death benefit ("GMDB"), guaranteed minimum income benefit ("GMIB"), guaranteed minimum withdrawal benefit ("GMWB") and guaranteed minimum accumulation benefit ("GMAB").

Variable Annuities

We have approximately $75 billion of variable annuity account value that has been issued over a period of more than fifty years. The diversified variable annuity block consists of $34 billion of account value with no living benefit guarantees and $41 billion of account value with living benefit guarantees, primarily GMWB provisions. The business is predominately issued through the *Ameriprise Financial*® advisor network. The majority of the variable annuity contracts currently offered by us contain GMDB provisions. We discontinued most new sales of GMWB and GMAB at the end of 2021 and new sales were completely discontinued as of mid-2022. We also previously offered contracts containing GMIB provisions. See Note 11 to our Consolidated Financial Statements for further discussion of our variable annuity contracts.

In determining the assets or liabilities for market risk benefits, we project these benefits and contract assessments using actuarial models to simulate various equity market scenarios. Significant assumptions made in projecting future benefits and assessments relate to customer asset value growth rates, mortality, persistency, benefit utilization and investment margins. Management reviews, and where appropriate, adjusts its assumptions each quarter. Unless management identifies a material deviation over the course of quarterly monitoring, management reviews and updates these assumptions annually in the third quarter of each year.

In addition, the valuation of market risk benefits is impacted by an estimate of our nonperformance risk adjustment. This estimate includes a spread over the U.S. Treasury curve as of the balance sheet date. As our estimate of this spread over the U.S. Treasury curve widens or tightens, the liability will decrease or increase. The change in fair value due to changes Analysis — Critical Accounting Estimates" in our nonperformance risk is recorded in other comprehensive income.

Regarding the exposure to variable annuity living benefit guarantees, changes to reserves due to behavioral risk are driven by changes in policyholder surrenders and utilization of guaranteed withdrawal benefits. We have extensive experience studies and analysis to monitor changes and trends in policyholder behavior. A significant volume of company-specific policyholder experience data is available and provides management with the ability to regularly analyze policyholder behavior. On a monthly basis, actual surrender and benefit utilization experience is compared to expectations. Experience data includes detailed policy information providing the opportunity to review impacts of multiple variables. The ability to analyze differences in experience, such as presence of a living benefit rider, existence of surrender charges, and tax qualifications provide us an effective approach in detecting changes in policyholder behavior.

At least annually, we perform a thorough policyholder behavior analysis to validate the assumptions included in our market risk benefit reserves. The variable annuity assumptions and resulting reserve computations reflect multiple policyholder variables. Differentiation in assumptions by policyholder age, existence of surrender charges, guaranteed withdrawal utilization, and tax qualification are examples of factors recognized in establishing management's assumptions used in market risk benefit calculations. The extensive data derived from our variable annuity block informs management in confirming previous assumptions and revising the variable annuity behavior assumptions. Changes in assumptions are governed by a review and approval process to ensure an appropriate measurement of all impacted financial statement balances. Changes in these assumptions can be offsetting and we are unable to predict their movement, sensitivities in reported amounts, offsetting impacts, or future impacts to the Consolidated Financial Statements over time or in any given future period.

Future Policy Benefits and Claims

We establish reserves to cover the benefits associated with non-traditional and traditional long-duration products. Non-traditional long-duration products include variable and structured variable annuity contracts, fixed annuity contracts and UL and VUL policies. Traditional long-duration products include term life insurance, whole life insurance, disability income ("DI") and LTC insurance and life contingent payout annuity products. UL and VUL policies with product features that result in profits followed by losses are accounted for as insurance liabilities. The portion of structured variable annuities, indexed annuities and indexed universal life ("IUL") policies allocated to the indexed account is accounted for as an embedded derivative.

The establishment of reserves is an estimation process using a variety of methods, assumptions and data elements. If actual experience is better than or equal to the results of the estimation process, then reserves should be adequate to provide for future benefits and expenses. If actual experience is worse than the results of the estimation process, additional reserves may be required.

Non-Traditional Long-Duration Products, including Embedded Derivatives

UL and VUL

A portion of our UL and VUL policies have product features that result in profits followed by losses from the insurance component of the contract. These profits followed by losses can be generated by the cost structure of the product or secondary guarantees in the

contract. The secondary guarantee ensures that, subject to specified conditions, the policy will not terminate and will continue to provide a death benefit even if there is insufficient policy value to cover the monthly deductions and charges. The liability for these future losses is determined at the reporting date using actuarial models to estimate the death benefits in excess of account value and recognizing the excess over the estimated life based on expected assessments (e.g. cost of insurance charges, contractual administrative charges, similar fees and investment margin). Significant assumptions made in projecting future benefits and assessments relate to client asset value growth rates, mortality, persistency and investment margins. Changes in these assumptions can be offsetting and we are unable to predict their movement, sensitivities in reported amounts, offsetting impacts, or future impacts to the Consolidated Financial Statements over time or in any given future period. See Note 9 to our Consolidated Financial Statements for information regarding the liability for contracts with secondary guarantees.

Embedded Derivatives

The fair value of embedded derivatives related to structured variable annuities, indexed annuities and IUL fluctuates based on equity markets and interest rates and is a liability. In addition, the valuation of embedded derivatives is impacted by an estimate of our nonperformance risk adjustment. This estimate includes a spread over the U.S. Treasury curve as of the balance sheet date. As our estimate of this spread over the U.S. Treasury curve widens or tightens, the liability will decrease or increase.

See Note 13 to our Consolidated Financial Statements for information regarding the fair value measurement of embedded derivatives.

Traditional Long-Duration Products

The liabilities for traditional long-duration products include cash flows related to unpaid amounts on reported claims, estimates of benefits payable on claims incurred but not yet reported and estimates of benefits that will become payable on term life, whole life, DI, LTC, and life contingent payout annuity policies as claims are incurred in the future. Accordingly, the claim liability (also referred to as disabled life reserves) is presented together as one liability for future policy benefits.

A liability for future policy benefits, which is the present value of estimated future policy benefits to be paid to or on behalf of policyholders and certain related expenses less the present value of estimated future net premiums to be collected from policyholders, is accrued as premium revenue is recognized. Expected insurance benefits are accrued over the life of the contract in proportion to premium revenue recognized (referred to as the net premium approach). The net premium ratio reflects cash flows from contract inception to contract termination (i.e., through the claim paying period) and cannot exceed 100%.

The liability for future policy benefits will be updated for actual experience at least on an annual basis and concurrent with changes to cash flow assumptions. When net premiums are updated for cash flow changes, the estimated cash flows over the entire life of a group of contracts are updated using historical experience and updated future cash flow assumptions.

The cash flows used in the calculation are discounted using the forward rate curve on the original contract issue date. The discount rate represents an upper-medium-grade (i.e., low credit risk) fixed-income instrument yield (i.e., an A rating) that reflects the duration characteristics of the liability.

Derivative Instruments and Hedging Activities

We use derivative instruments to manage our exposure to various market risks. All derivatives are recorded at fair value. The fair value of our derivative instruments is determined using either market quotes or valuation models that are based upon the net present value of estimated future cash flows and incorporate current market observable inputs to the extent available. We are unable to predict impacts and determine sensitivities in reported amounts reflecting such market movements on our aggregate derivative portfolio. Changes to assumptions do not occur in isolation and it is impracticable to predict such impacts at the individual security unit of measure which are predominately Level 2 fair value and based on observable inputs.

For further details on the types of derivatives we use and how we account for them, see Note 2, Note 13 and Note 15 to our Consolidated Financial Statements. For discussion of our market risk exposures and hedging program and related sensitivity testing, see Item 3. "Quantitative and Qualitative Disclosures About Market Risk." 2023 10-K.

Recent Accounting Pronouncements

For information regarding recent accounting pronouncements and their expected impact on our future consolidated results of operations and financial condition, see Note 32 to our Consolidated Financial Statements.

Index

Economic Environment

Global equity market conditions could materially affect our financial condition and results of operations. The following table presents relevant market indices:

	Three Months Ended September 30,			Nine Months Ended September 30,				Three Months Ended March 31,		
	2023	2022	Change	2023	2022	Change		2024	2023	Change
S&P 500										
Daily average	4,456	3,983	12%	4,222	4,185	1%		4,996	3,998	25%
Period end	4,288	3,586	20%	4,288	3,586	20%	Period end	5,254	4,109	28%
Weighted Equity Index ("WEI") [1]										
Daily average	2,903	2,606	11%	2,779	2,754	1%				
Daily average								3,218	2,664	21%
Period end	2,788	2,347	19%	2,788	2,347	19%	Period end	3,379	2,718	24%

(1) Weighted Equity Index is an Ameriprise calculated proxy for equity market movements calculated using a weighted average of the S&P 500, Russell 2000, Russell Midcap and MSCI EAFE indices based on North America distributed equity assets.

See our segment results of operations discussion below for additional information on how changes in the economic environment have and may continue to impact our results. For further information regarding the impact of the economic environment on our results of operations and financial condition, and potentially material effects, see Part 1 - Item 1A "Risk Factors" of our 2022 2023 10-K.

Assets Under Management and Administration

Assets under management ("AUM") include external client assets for which we provide investment management services, such as the assets of the Columbia Threadneedle Investments funds, institutional clients and clients in our advisor platform held in wrap accounts as well as assets managed by sub-advisors selected by us. AUM also includes certain assets on our Consolidated Balance Sheets for which we provide investment management services and recognize management fees in our Asset Management segment, such as the assets of the general account and the variable product funds held in the separate accounts of our life insurance subsidiaries and CIEs.

Assets under administration ("AUA") include assets for which we provide administrative services such as client assets invested in other companies' products that we offer outside of our wrap accounts. These assets include those held in clients' brokerage accounts. We generally record revenues received from administered assets as distribution fees. We do not exercise management discretion over these assets and do not earn a management fee. These assets are not reported on our Consolidated Balance Sheets. AUA also includes certain assets on our Consolidated Balance Sheets for which we do not provide investment management services and do not recognize management fees, such as investments in non-affiliated funds held in the separate accounts of our life insurance subsidiaries.

AUM and AUA do not include assets under advisement, for which we provide advisory services such as model portfolios but do not have full discretionary investment authority.

The following table presents detail regarding our AUM and AUA:

		September 30, 2023	2022	Change			March 31, 2024	2023	Change	
		(in billions)								
Assets Under Management and Administration	**Assets Under Management and Administration**									
Assets Under Management and Administration										
Assets Under Management and Administration										
Advice & Wealth Management AUM										
Advice & Wealth Management AUM										
Advice & Wealth Management AUM	Advice & Wealth Management AUM	$ 440.7	$ 382.4	$ 58.3	15 %		$ 518.1	$ $ 431.4	$ $ 86.7	20 20 %
Asset Management AUM	Asset Management AUM	587.2	546.5	40.7	7					
Corporate AUM	Corporate AUM	0.3	0.2	0.1	50	Corporate AUM	0.4	0.2 0.2	0.2 0.2	NM NM
Eliminations	Eliminations	(37.8)	(35.6)	(2.2)	(6)					
Total Assets Under Management	**Total Assets Under Management**	990.4	893.5	96.9	11					
Total Assets Under Administration	**Total Assets Under Administration**	242.4	208.0	34.4	17					
Total AUM and AUA	**Total AUM and AUA**	$1,232.8	$1,101.5	$131.3	12 %	**Total AUM and AUA**	$ 1,424.9	$ $ 1,235.6	$ $ 189.3	15 15 %

NM Not Meaningful - variance equal to or greater than 100%.

Total AUM increased $96.9 billion $126.1 billion, or 11% 13%, to $990.4 billion $1.1 trillion as of September 30, 2023 March 31, 2024 compared to $893.5 billion $1.0 trillion as of September 30, 2022 March 31, 2023 due to a $58.3 billion an $86.7 billion increase in Advice & Wealth Management AUM driven by equity market appreciation and wrap account net inflows, and a $40.7 billion $44.4 billion increase in Asset Management AUM primarily driven by equity market appreciation. Total AUA increased $63.2 billion, or 27%, to $297.5 billion as of March 31, 2024 compared to the prior year period primarily driven by equity market appreciation partially offset by net outflows. and an increase in third-party money market funds and brokered CDs. See our segment results of operations discussion below for additional information on changes in our AUM.

AMERIPRISE FINANCIAL, INC.

Consolidated Results of Operations for the Three Months Ended September 30, 2023 March 31, 2024 and 2022 2023

The following table presents our consolidated results of operations:

		Three Months Ended September 30, 2023	Three Months Ended September 30, 2022	Change		Three Months Ended March 31, 2024	Three Months Ended March 31, 2023	Change	
		(in millions)				(in millions)			
Revenues	**Revenues**								
Revenues									
Revenues									
Management and financial advice fees									
Management and financial advice fees									
Management and financial advice fees	Management and financial advice fees	$2,287	$2,172	$ 115	5 %	$ 2,399	$ 2,137	$ 262	12 %
Distribution fees	Distribution fees	463	506	(43)	(8)				
Net investment income	Net investment income	809	349	460	NM				
Premiums, policy and contract charges	Premiums, policy and contract charges	390	354	36	10				
Other revenues	Other revenues	127	118	9	8				
Total revenues	Total revenues	4,076	3,499	577	16				
Banking and deposit interest expense	Banking and deposit interest expense	151	15	136	NM				
Total net revenues	Total net revenues	3,925	3,484	441	13				
Expenses	**Expenses**								
Distribution expenses									
Distribution expenses									
Distribution expenses	Distribution expenses	1,297	1,198	99	8				
Interest credited to fixed accounts	Interest credited to fixed accounts	139	157	(18)	(11)				
Benefits, claims, losses and settlement expenses	Benefits, claims, losses and settlement expenses	120	81	39	48				
Remeasurement (gains) losses of future policy benefit reserves	Remeasurement (gains) losses of future policy benefit reserves	(12)	(1)	(11)	NM				

Change in fair value of market risk benefits	Change in fair value of market risk benefits	168	(321)	489	NM	Change in fair value of market risk benefits	(18)	489	489	(507)	(507)	NM	NM
Amortization of deferred acquisition costs	Amortization of deferred acquisition costs	62	58	4	7								
Interest and debt expense	Interest and debt expense	84	52	32	62								
General and administrative expense	General and administrative expense	950	925	25	3								
Total expenses	Total expenses	2,808	2,149	659	31								
Pretax income	Pretax income	1,117	1,335	(218)	(16)	Pretax income	1,219	496	496	723	723	NM	NM
Income tax provision	Income tax provision	245	274	(29)	(11)	Income tax provision	229	79	79	150	150	NM	NM
Net income	Net income	$ 872	$1,061	$(189)	(18)%	Net income	$ 990	$	$417	$	$ 573	NM	NM

NM Not Meaningful.

NM Not Meaningful - variance equal to or greater than 100%.

Overall

Pretax income decreased $218 million, or 16%, increased $723 million for the three months ended September 30, 2023 March 31, 2024 compared to the prior year period. The following impacts were significant drivers of the period-over-period change in pretax income:

- The unfavorable impact of unlocking was $99 million for the three months ended September 30, 2023 compared to a favorable impact of $133 million for the prior year period.
- The market impact on non-traditional long duration products (including variable and fixed deferred annuity contracts and UL insurance contracts), net of hedges and the reinsurance accrual was a benefit of $211 million $140 million for the three months ended September 30, 2023 March 31, 2024 compared to a benefit an expense of $405 million $475 million for the prior year period.
- A favorable impact from the trend in rising interest rates on the investment portfolio yield, including from investment portfolio repositioning in our insurance business in the fourth quarter of 2022, along with higher balances in bank and certificate products.
- A favorable impact from higher average equity markets compared to the prior year period. Our average WEI, which is a proxy for equity movements on AUM, increased 11% 21% in the three months ended September 30, 2023 quarter compared to the prior year period. The ending WEI increased 19% compared to the prior year. The average S&P 500 index was 12% 25% higher in the quarter compared to the prior year period.

Index

The following table presents the total pretax impacts on our revenues and expenses attributable to unlocking for the three months ended September 30:

Pretax Increase (Decrease)	2023	2022
	(in millions)	
Premiums, policy and contract charges	$ 1	$ (1)
Total revenues	1	(1)
Benefits, claims, losses and settlement expenses	(17)	7
Remeasurement (gains) losses of future policy benefit reserves:		
LTC unlocking	(5)	(6)
Unlocking impact, excluding LTC	(6)	6
Total remeasurement (gains) losses of future policy benefit reserves	(11)	—
Change in fair value of market risk benefits	128	(139)
Amortization of DAC	—	(2)
Total expenses	100	(134)
Pretax income (loss) (1)	$ (99)	$ 133

(1) Includes a $2 million net expense related to the market impact on IUL benefits for the three months ended September 30, 2022, which is excluded from adjusted operating earnings. Refer to Results of Operations by Segment for the impact to pretax adjusted operating earnings attributable to unlocking.

The primary drivers of the year-over-year unlocking impact include the following items:

- We lowered our surrender assumptions A favorable impact from the trend in rising interest rates on the investment portfolio yield, along with higher balances in bank, certificate and structured variable annuities with living benefits resulting in an expense in the third quarter of 2023. ("SVA") products.
- Interest rate assumptions resulted in a benefit in An unfavorable impact from the third quarter cumulative impact of 2022, partially offset by lower surrender assumptions and updated mortality assumptions for variable annuities with living benefits. Asset Management net outflows.

Net Revenues

Management and financial advice fees increased $115 million $262 million, or 5% 12%, for the three months ended September 30, 2023 March 31, 2024 compared to the prior year period reflecting market appreciation and continued wrap account net inflows, partially offset by the cumulative impact of Asset Management net outflows.

Distribution fees decreased $43 million $11 million, or 8% 2%, for the three months ended September 30, 2023 March 31, 2024 compared to the prior year period primarily due to $76 million of lower fees on off-balance sheet brokerage cash due to lower off-balance sheet brokerage cash balances. a decrease in average balances, partially offset by strong transactional activity.

Net investment income increased $460 million $203 million, or 29%, for the three months ended September 30, 2023 March 31, 2024 compared to the prior year period primarily reflecting the following items: reflecting:

- The favorable impact of growth in Ameriprise Bank, FSB ("Ameriprise Bank") customer deposits and certificate business as a result of the market environment and our strategic decision along with higher average balances due to invest the growth in these businesses. SVAs.
- The favorable impact of the trend in rising interest rates on the investment portfolio yield, including from investment portfolio repositioning in our insurance business in the fourth quarter of 2022.
- The favorable impact of net realized investment losses of $37 million for the three months ended September 30, 2023 compared to net realized investment losses of $87 million for the prior year period. Net realized investment losses for three months ended September 30, 2023 were primarily driven by the continued fixed maturity investment portfolio repositioning. Net realized investment losses for three months ended September 30, 2022 were primarily driven by the fixed maturity investment portfolio repositioning in response to market conditions.
- The favorable impact of higher net investment income of CIEs. yield.

Premiums, policy and contract charges increased $36 million $28 million, or 10% 8%, for the three months ended September 30, 2023 March 31, 2024 compared to the prior year period primarily due to higher sales of life contingent payout annuities.

Banking and deposit interest expense increased $136 million, $76 million for the three months ended September 30, 2023 March 31, 2024 compared to the prior year period primarily reflecting higher average crediting rates and higher average volumes on certificates and Ameriprise Bank cash deposits.

Expenses

Distribution expenses increased $99 million $193 million, or 8% 16%, for the three months ended September 30, 2023 March 31, 2024 compared to the prior year period primarily reflecting higher market appreciation.

AMERIPRISE FINANCIAL, INC.

advisor compensation from higher average wrap account assets and increased transactional activity, as well as continued investments in recruiting experienced advisors.

Interest credited to fixed accounts decreased $18 million $32 million, or 11% 20%, for the three months ended September 30, 2023 March 31, 2024 compared to the prior year period primarily reflecting the following items:

- A $4 million $78 million decrease in expense from other market impacts on indexed universal life ("IUL") benefits, net of hedges, which was a benefit of $32 million for the three months ended March 31, 2024 compared to an expense of $46 million for the prior year period. The decrease in expense was primarily due to an increase in the IUL embedded derivative in the prior period, which reflected less discounting due to lower Treasury rates, partially offset by lower option costs due to a lower new money rate.
- A $47 million increase in expense from the unhedged nonperformance credit spread risk adjustment on IUL benefits. The unfavorable impact of the nonperformance credit spread was $2 million $17 million for the three months ended September 30, 2023 March 31, 2024 compared to an unfavorable a favorable impact of $6 million $30 million for the prior year period.
- A $9 million decrease in expense from other market impacts on IUL benefits, net of hedges, which was a benefit of $15 million for the three months ended September 30, 2023 compared to a benefit of $6 million for the prior year period. The decrease in expense was primarily due to a decrease in the IUL embedded derivative in the current period, which reflected higher option costs due to a higher new money rate, offset by more discounting due to higher Treasury rates.

Benefits, claims, losses and settlement expenses increased $39 million decreased $6 million, or 48% 2%, for the three months ended September 30, 2023 compared to the prior year period primarily reflecting the impact of higher sales of life contingent payout annuities.

Change in fair value of market risk benefits increased $489 million, for the three months ended September 30, 2023 March 31, 2024 compared to the prior year period primarily reflecting the following items:

- A $68 million decrease in expense from market impacts on SVA embedded derivative, net of hedges in place to offset those risks. This decrease was primarily the result of a favorable $421 million change in the market impact on derivatives hedging the SVA embedded derivative and an unfavorable $340 million change in the market impact on SVA embedded derivative. The main market driver contributing to these changes was the equity market impact on the SVA embedded derivative net of unlocking was the impact on the corresponding hedge assets resulted in an lower expense of $128 million for the three months ended September 30, 2023 primarily reflecting March 31, 2024 compared to the prior year period.

- Partially offset by the impact of lower surrender assumptions on variable higher sales of life contingent payout annuities with living and increased volume in SVAs.

Change in fair value of market risk benefits decreased $507 million, for the three months ended March 31, 2024 compared to a benefit of $139 million for the prior year period primarily reflecting the impact of interest rate assumptions, partially offset by lower surrender assumptions and updated mortality assumptions for variable annuities with living benefits. following items:

- A $178 million increase $520 million decrease in expense from other market impacts on variable annuity guaranteed benefits, net of hedges in place to offset those risks. This increase decrease was the result of a favorable $1.3 billion change in the market impact on variable annuity guaranteed benefits reserves and an unfavorable $495 million $738 million change in the market impact on derivatives hedging the variable annuity guaranteed benefits, partially offset by a favorable $317 million change in the market impact on variable annuity guaranteed benefits reserves. benefits. The main market drivers contributing to these changes are summarized below:
  - Equity market impact on the variable annuity guaranteed benefits liability net of the impact on the corresponding hedge assets resulted in a lower expense higher benefit for the three months ended September 30, 2023 March 31, 2024 compared to the prior year period.
  - Interest rate and bond impact on the variable annuity guaranteed benefits liability net of the impact on the corresponding hedge assets resulted in a lower benefit for the three months ended September 30, 2023 March 31, 2024 compared to an expense for the prior year period.
  - Volatility impact on the variable annuity guaranteed benefits liability net of the impact on the corresponding hedge assets resulted in a lower higher expense for the three months ended September 30, 2023 March 31, 2024 compared to the prior year period.
  - Other unhedged items, including the difference between the assumed and actual underlying separate account investment performance, transaction costs and various behavioral items, were a higher net expense for the three months ended September 30, 2023 March 31, 2024 compared to the prior year period.

Interest and debt expense increased $32 million $10 million, or 62% 14%, for the three months ended September 30, 2023 March 31, 2024 compared to the prior year period primarily reflecting the issuance of $750 million and $600 million of unsecured senior notes in March 2023 and November 2023, respectively, partially offset by the maturity of $750 million of unsecured senior notes in October 2023.

Index

General and administrative expense increased $23 million, or 2%, for the three months ended March 31, 2024 compared to the prior year period primarily reflecting higher interest expense of CIEs and the issuance of $750 million of unsecured senior notes in March 2023.

General and administrative expense increased $25 million, or 3%, for the three months ended September 30, 2023 compared to the prior year period primarily due to a $20 million accrual for a regulatory matter relating to electronic communication recordkeeping requirements, higher volume related expenses and investments for business growth. growth, an unfavorable change in the mark-to-market impact on share-based compensation due to share price appreciation, partially offset by higher one-time expenses in the prior year period.

Income Taxes

Our effective tax rate was 21.8% 18.8% for the three months ended September 30, 2023 March 31, 2024 compared to 20.5% 15.9% for the prior year period. The increase in the effective tax rate for the three months ended March 31, 2024 compared to the three months ended March 31, 2023 was primarily due to higher pretax income and a decrease in foreign tax credits net of addback, partially offset by an increase in incentive compensation compared to the prior year period. See Note 17 16 to our Consolidated Financial Statements for additional discussion on income taxes.

Results of Operations by Segment for the Three Months Ended September 30, 2023 March 31, 2024 and 2022 2023

Adjusted operating earnings is the measure of segment profit or loss management uses to evaluate segment performance. Adjusted operating earnings should not be viewed as a substitute for GAAP pretax income. We believe the presentation of segment adjusted operating earnings as we measure it for management purposes enhances the understanding of our business by reflecting the underlying performance of our core operations and facilitating a more meaningful trend analysis. See Note 20 to the Consolidated Financial Statements for further information on the presentation of segment results and our definition of adjusted operating earnings.

Index

AMERIPRISE FINANCIAL, INC.

The following table presents summary financial information by segment:

	Three Months Ended September 30,	
	2023	2022
	(in millions)	

Three Months Ended March 31,		
	2024	2023
	(in millions)	

Advice & Wealth Management	**Advice & Wealth Management**		
Net revenues			
Net revenues			
Net revenues	Net revenues	$2,407	$2,137
Expenses	Expenses	1,678	1,542
Adjusted operating earnings	Adjusted operating earnings	$ 729	$ 595
Asset Management	**Asset Management**		
Net revenues	Net revenues	$ 826	$ 823
Net revenues			
Net revenues			
Expenses	Expenses	627	632
Adjusted operating earnings	Adjusted operating earnings	$ 199	$ 191
Retirement & Protection Solutions	**Retirement & Protection Solutions**		
Net revenues			
Net revenues			
Net revenues	Net revenues	$ 876	$ 783
Expenses	Expenses	776	458
Adjusted operating earnings	Adjusted operating earnings	$ 100	$ 325
Corporate & Other	**Corporate & Other**		
Net revenues	Net revenues	$ 143	$ 115
Net revenues			
Net revenues			
Expenses	Expenses	215	193
Adjusted operating loss	Adjusted operating loss	$ (72)	$ (78)

The following table presents the segment pretax adjusted operating impacts on our revenues and expenses attributable to unlocking for the three months ended September 30:

	2023		2022	
Segment Pretax Operating Increase (Decrease)	**Retirement & Protection Solutions**	**Corporate**	**Retirement & Protection Solutions**	**Corporate**
	(in millions)			
Premiums, policy and contract charges	$ 1	$ —	$ 1	$ (2)
Total revenues	1	—	1	(2)
Benefits, claims, losses and settlement expenses	(17)	—	6	(1)
Remeasurement (gains) losses of future policy benefit reserves:				
LTC unlocking	—	(5)	—	(6)
Unlocking impact, excluding LTC	(6)	—	6	—

Total remeasurement (gains) losses of future policy benefit reserves	(6)	(5)	6	(6)
Change in fair value of market risk benefits	128	—	(139)	—
Amortization of DAC	—	—	—	(2)
Total expenses	105	(5)	(127)	(9)
Pretax income (loss)	$ (104)	$ 5	$ 128	$ 7

Index

Advice & Wealth Management

The following table presents the changes in wrap account assets and average balances for the three months ended September 30: March 31:

	2023	2022
	(in billions)	
Beginning balance	$454.7	$399.3
Net flows	5.4	6.4
Market appreciation (depreciation) and other	(16.0)	(20.5)
Ending balance	$444.1	$385.2
Advisory wrap account assets ending balance (1)	$439.3	$381.1
Average advisory wrap account assets (2)	$455.4	$407.8

	2024	2023
	(in billions)	
Beginning balance		
Net flows		
Market appreciation (depreciation) and other		
Ending balance		
Advisory wrap account assets ending balance (1)		
Advisory wrap account assets ending balance (1)		
Advisory wrap account assets ending balance (1)		
Average advisory wrap account assets (2)		

(1) Advisory wrap account assets represent those assets for which clients receive advisory services and are the primary driver of revenue earned on wrap accounts. Clients may hold non-advisory investments in their wrap accounts that do not incur an advisory fee.

(2) Average ending balances are calculated using an average of the prior period's ending balance and all months in the current period excluding the most recent month for the three months ended September 30, 2023 March 31, 2024 and 2022. 2023, which is reflective of our billing cycle.

Ending wrap account assets decreased $10.6 billion increased $33.5 billion, or 2% 7%, to $444.1 billion $521.7 billion during the three months ended September 30, 2023 March 31, 2024 due to market depreciation appreciation and other of $16.0 billion, partially offset by $27.0 billion and net inflows of $5.4 billion $6.5 billion. Average advisory wrap account assets increased $47.6 billion $71.2 billion, or 12% 17%, compared to the prior year period primarily reflecting market appreciation and net inflows.

Index

The following table presents the results of operations of our Advice & Wealth Management segment on an adjusted operating basis:

	Three Months Ended September 30, 2023	Three Months Ended September 30, 2022	Change	Three Months Ended March 31,	Three Months Ended March 31,	Change
	(in millions)					

		2024					2024			2023				
	(in millions)													
Revenues	**Revenues**													
Revenues														
Revenues														
Management and financial advice fees														
Management and financial advice fees														
Management and financial advice fees	Management and financial advice fees	$1,424	$1,297	$127	10 %	$	1,509	$	$ 1,299	$	$ 210	16		16 %
Distribution fees	Distribution fees	552	579	(27)	(5)									
Net investment income	Net investment income	517	219	298	NM	Net investment income	560	409	409	151		151	37	37
Other revenues	Other revenues	65	57	8	14	Other revenues	72	67	67	5		5	7	7
Total revenues	Total revenues	2,558	2,152	406	19									
Banking and deposit interest expense	Banking and deposit interest expense	151	15	136	NM	Banking and deposit interest expense	179	103	103	76		76	74	74
Total net revenues	Total net revenues	2,407	2,137	270	13									
Expenses	**Expenses**													
Distribution expenses	Distribution expenses	1,253	1,149	104	9									
Distribution expenses														
Distribution expenses														
Interest and debt expense														
Interest and debt expense														
Interest and debt expense	Interest and debt expense	6	3	3	NM		9	7	7	2		2	29	29
General and administrative expense	General and administrative expense	419	390	29	7									
Total expenses	Total expenses	1,678	1,542	136	9									
Adjusted operating earnings	Adjusted operating earnings	$ 729	$ 595	$134	23 %	Adjusted operating earnings	$762	$	$693	$		$ 69	10	10 %

NM Not Meaningful.

Our Advice & Wealth Management segment pretax adjusted operating earnings, which exclude net realized investment gains or losses, increased $134 million $69 million, or 23% 10%, for the three months ended September 30, 2023 March 31, 2024 compared to the prior year period primarily reflecting a benefit from market appreciation, higher short-term interest rates and growth in investments supporting the bank cash deposits and certificate products along with higher average wrap account balances due to market appreciation and the cumulative impact of client net inflows. flows. Pretax adjusted operating margin increased to 30.3% was 29.8% for the for the three months ended September 30, 2023 March 31, 2024 compared to 27.8% 30.6% for the prior year period, reflecting the benefit of higher short-term interest rates. period.

Ameriprise Bank is continuing its deposit growth trend, with bank deposits deposit balances increasing $2.4 billion $1.3 billion from the prior year period to $21.0 billion as of September 30, 2023 $21.3 billion. The daily average interest-bearing deposit balance increased to $21.3 billion for the three months ended March 31, 2024 compared to $19.0 billion for the prior year period with the average interest rate paid on deposits increasing to 0.42% for the three months ended March 31, 2024 from 0.36% for the prior year period. Profitability at the bank increased compared to the prior year period primarily reflecting increased interest rates along with the trend in deposit growth. The Ameriprise Certificate Company experienced strong growth in given the current interest rate environment with client deposits increasing $6.4 billion $2.1 billion from the prior year period to $12.6 billion $13.2 billion.

Index

AMERIPRISE FINANCIAL, INC.

Net Revenues

Management and financial advice fees increased $127 million $210 million, or 10% 16%, for the three months ended September 30, 2023 March 31, 2024 compared to the prior year period primarily due to growth in higher average wrap account assets. Average advisory wrap account assets increased $47.6 billion $71.2 billion, or 12% 17%, compared to the prior year period primarily reflecting market appreciation and net inflows.

Distribution fees decreased $27 million increased $5 million, or 5% 1%, for the three months ended September 30, 2023 March 31, 2024 compared to the prior year period reflecting strong transactional activity, partially offset by $76 million of lower fees on off-balance sheet brokerage cash due to lower off-balance sheet brokerage cash a decrease in average balances.

Net investment income, which excludes net realized investment gains or losses, increased $298 million $151 million, or 37%, for the three months ended September 30, 2023 March 31, 2024 compared to the prior year period primarily due to higher average invested assets due to growth in increased bank cash deposits and certificate products deposits and the favorable impact of increasing increased short-term interest rates, including higher investment yields on the investment portfolios portfolio supporting the bank and certificate products.

Banking and deposit interest expense increased $136 million $76 million, or 74%, for the three months ended September 30, 2023 March 31, 2024 compared to the prior year period primarily reflecting higher average crediting rates and higher average balances on certificates and bank cash deposits.

Expenses

Distribution expenses increased $196 million, or 17%, for the three months ended March 31, 2024 compared to the prior year period reflecting higher advisor compensation from higher average wrap account assets and increased transactional activity, as well as continued investments in recruiting experienced advisors.

General and administrative expense increased $28 million, or 7%, for the three months ended March 31, 2024 compared to the prior year period primarily due to higher average crediting rates and higher average volumes on certificates and bank cash deposits.

Expenses

General and administrative expense increased $29 million, or 7%, for the three months ended September 30, 2023 compared to the prior year period primarily reflecting a $20 million accrual for a regulatory matter relating to electronic communication recordkeeping requirements, higher volume related expenses and investing investments for business growth.

Index

AMERIPRISE FINANCIAL, INC.

Asset Management

The following tables present the mutual fund performance of our retail Columbia Threadneedle Investments funds as of September 30, 2023 March 31, 2024:

Retail Fund Rankings in Top 2 Quartiles or Above Index Benchmark - Asset Weighted (1)	Retail Fund Rankings in Top 2 Quartiles or Above Index Benchmark - Asset Weighted (1)	1 year	3 year	5 year	10 year
Equity	Equity	66%	72%	77%	87%
Fixed Income	Fixed Income	64%	61%	74%	85%
Asset Allocation	Asset Allocation	69%	52%	74%	90%
4- or 5-star Morningstar rated funds (2)	**4- or 5-star Morningstar rated funds (2)**	**Overall**	**3 year**	**5 year**	**10 year**
Number of rated funds	Number of rated funds	112	74	94	97

Retail Fund Rankings in Top 2 Quartiles or Above Index Benchmark - Asset Weighted (1)	1 year	3 year	5 year	10 year
Equity	61%	66%	80%	89%
Fixed Income	74%	53%	75%	85%
Asset Allocation	87%	59%	82%	90%

4- or 5-star Morningstar rated funds (2)				
4- or 5-star Morningstar rated funds (2)	**Overall**	**3 year**	**5 year**	**10 year**
Number of rated funds	117	71	93	104

(1) Retail Fund performance rankings for each fund are measured on a consistent basis against the most appropriate peer group or index. Peer groupings of Columbia funds are defined by Lipper category and are based on the Primary Share Class (i.e. Institutional if available, otherwise Advisor or Instl3 share class), net of fees. Peer groupings of Threadneedle funds are defined by either IA or Morningstar index and are based on the Primary Share Class. Comparison to Index are measured gross of fees.

To calculate asset weighted performance, the sum of the total assets of the funds with above median ranking are divided by total assets of all funds. Funds with more assets will receive a greater share of the total percentage above or below median.

Aggregated Asset Allocation Funds may include funds that invest in other Columbia or Threadneedle branded mutual funds included in both equity and fixed income.

(2) Columbia funds are available for purchase by U.S. customers. Out of 99 89 Columbia funds rated (based on primary share class), 9 3 received a 5-star Overall Rating and 31 38 received a 4-star Overall Rating. Out of 150 145 Threadneedle funds rated (based on highest-rated share class), 17 22 received a 5-star Overall Rating and 55 54 received a 4-star Overall Rating. The Overall Morningstar Rating is derived from a weighted average of the performance figures associated with its 3-, 5- and 10-year (if applicable) Morningstar Rating metrics.

The following table presents global managed assets by type:

	As of September 30,				Average (1) Three Months Ended September 30,			
	2023	2022	Change		2023	2022	Change	
	(in billions)							
Equity	$299.1	$278.5	$20.6	7 %	$313.9	$305.1	$ 8.8	3 %
Fixed income	214.9	194.6	20.3	10	222.8	214.3	8.5	4
Money market	22.7	21.3	1.4	7	22.6	18.5	4.1	22
Alternative	33.6	35.2	(1.6)	(5)	34.8	37.0	(2.2)	(6)
Hybrid and other	16.9	16.9	—	—	17.5	18.4	(0.9)	(5)
Total managed assets	$587.2	$546.5	$40.7	7 %	$611.6	$593.3	$18.3	3 %

The following table presents global managed assets by type:

	As of March 31,				Average (1) Three Months Ended March 31,			
	2024	2023	Change		2024	2023	Change	
	(in billions)							
Equity	$341.4	$309.0	$32.4	10 %	$330.3	$308.6	$21.7	7
Total managed assets	$652.1	$607.7	$44.4	7 %	$640.1	$600.1	$40.0	7

(1) Average ending balances are calculated using an average of the prior period's ending balance and all months in the current period.

[Index](#)

The following table presents the changes in global managed assets:

	Three Months Ended September 30,	
	2023	2022
	(in billions)	
Global Retail Funds		
Beginning assets	$327.4	$323.0
Inflows	11.3	11.7
Outflows	(15.2)	(17.6)

	Three Months Ended March 31,	
	2024	2023
	(in billions)	
Global Retail Funds		
Beginning assets		

Net VP/VIT fund flows	Net VP/VIT fund flows	(1.3)	(1.0)
Net new flows	Net new flows	(5.2)	(6.9)
Reinvested dividends	Reinvested dividends	1.3	1.6
Net flows	Net flows	(3.9)	(5.3)
Distributions	Distributions	(1.5)	(1.9)
Market appreciation (depreciation) and other	Market appreciation (depreciation) and other	(8.5)	(15.3)
Foreign currency translation (1)	Foreign currency translation (1)	(3.3)	(4.3)
Total ending assets	**Total ending assets**	310.2	296.2
Global Institutional	**Global Institutional**		
Global Institutional			
Global Institutional			
Beginning assets			
Beginning assets			
Beginning assets	Beginning assets	289.2	275.2
Inflows (2)	Inflows (2)	8.5	14.9
Outflows (2)	Outflows (2)	(8.8)	(12.0)
Net flows	Net flows	(0.3)	2.9
Market appreciation (depreciation) and other (3)	Market appreciation (depreciation) and other (3)	(4.6)	(17.8)
Foreign currency translation (1)	Foreign currency translation (1)	(7.3)	(10.0)
Total ending assets	**Total ending assets**	277.0	250.3
Total managed assets	**Total managed assets**	$587.2	$546.5
Total managed assets			
Total managed assets			
Total net flows	**Total net flows**	$ (4.2)	$ (2.4)
Legacy insurance partners net flows (4)	**Legacy insurance partners net flows** (4)	$ (0.9)	$ (1.0)
Legacy insurance partners net flows (4)			
Legacy insurance partners net flows (4)			

(1) Amounts represent local currency to U.S. US dollar translation for reporting purposes.

(2) Global Institutional inflows and outflows include net flows from our structured annuity product and Ameriprise Bank.

(3) Included in Market appreciation (depreciation) and other for Global Institutional is the change in affiliated general account balance, excluding net flows related to our structured variable annuity product and Ameriprise Bank.

(4) Legacy insurance partners assets and net flows are included in the rollforwards above.

Total segment AUM decreased $29.4 billion increased $15.2 billion, or 5% 2%, during the three months ended September 30, 2023 March 31, 2024 primarily due to equity and fixed income market depreciation, foreign exchange translation, and appreciation, partially offset by net outflows. Net outflows were $4.2 billion in the third quarter of 2023, a $1.8 billion decrease compared to the prior year period.

Index

AMERIPRISE FINANCIAL, INC.

The following table presents the results of operations of our Asset Management segment on an adjusted operating basis:

	Three Months Ended September 30, 2023	Three Months Ended September 30, 2022	Change	
	(in millions)			
Revenues				
Management and financial advice fees	$717	$723	$(6)	(1)%
Distribution fees	92	96	(4)	(4)
Net investment income	10	2	8	NM
Other revenues	7	2	5	NM
Total revenues	826	823	3	—
Banking and deposit interest expense	—	—	—	—
Total net revenues	826	823	3	—
Expenses				
Distribution expenses	234	238	(4)	(2)
Amortization of deferred acquisition costs	1	2	(1)	(50)
Interest and debt expense	2	1	1	NM
General and administrative expense	390	391	(1)	—

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023	Change	
	(in millions)			
Revenues				
Revenues				
Revenues				
Management and financial advice fees				
Management and financial advice fees				
Management and financial advice fees	$ 742	$ 694	$ 48	7 %
Net investment income	11	9	2	22
Banking and deposit interest expense	—	—	—	—
Distribution expenses				
Distribution expenses				
Amortization of deferred acquisition costs	2	1	1	NM
Interest and debt expense	2	2	—	—

Total expenses	Total expenses	627	632	(5)	(1)									
Adjusted operating earnings	Adjusted operating earnings	$199	$191	$ 8	4 %	Adjusted operating earnings	$206	$	$165	$	$	41	25	25 %

NM Not Meaningful.

NM Not Meaningful - variance equal to or greater than 100%.

Our Asset Management segment pretax adjusted operating earnings, which exclude net realized investment gains or losses, increased $8 million $41 million, or 4% 25%, for the three months ended September 30, 2023 March 31, 2024 compared to the prior year period primarily due to equity market appreciation, partially offset by the cumulative impact from net outflows.

Net Revenues

Management and financial advice fees decreased $6 million increased $48 million, or 1% 7%, for the three months ended September 30, 2023 March 31, 2024 compared to the prior year period primarily due to equity market appreciation and an increase in performance fees, partially offset by the cumulative impact from net outflows, partially offset by higher average equity markets. outflows.

Distribution fees decreased $4 million increased $5 million, or 4% 6%, for the three months ended September 30, 2023 March 31, 2024 compared to the prior year period primarily reflecting the cumulative impact from net outflows. due to market appreciation.

Net investment income *Expenses*

Distribution expenses increased $8 million $12 million, or 5%, for the three months ended September 30, 2023 March 31, 2024 compared to the prior year period primarily driven due to market appreciation, partially offset by higher interest rates.

Expenses

Distribution expenses decreased $4 million, or 2%, for the three months ended September 30, 2023 compared to the prior year period primarily reflecting the cumulative impact from net outflows.

[Index](#)

Retirement & Protection Solutions

The following table presents the results of operations of our Retirement & Protection Solutions segment on an adjusted operating basis:

		Three Months Ended September 30, 2023	2022	Change						
		(in millions)								
	Three Months Ended March 31,				2024		Three Months Ended March 31, 2023		Change	
Revenues	Revenues									
Revenues										
Revenues										
Management and financial advice fees										
Management and financial advice fees										
Management and financial advice fees	Management and financial advice fees	$186	$189	$ (3)	(2)%	$ 189	$	$ 183	$	$ 6 3 3 %
Distribution fees	Distribution fees	101	101	—	—					
Net investment income	Net investment income	215	151	64	42					
Premiums, policy and contract charges	Premiums, policy and contract charges	372	339	33	10					
Other revenues	Other revenues	2	3	(1)	(33)					

Total revenues	Total revenues	876	783	93	12							
Banking and deposit interest expense	Banking and deposit interest expense	—	—	—	—							
Total net revenues	Total net revenues	876	783	93	12							
Expenses	**Expenses**											
Distribution expenses	Distribution expenses	117	106	11	10							
Distribution expenses												
Distribution expenses												
Interest credited to fixed accounts	Interest credited to fixed accounts	94	97	(3)	(3)							
Benefits, claims, losses and settlement expenses	Benefits, claims, losses and settlement expenses	168	113	55	49							
Remeasurement (gains) losses of future policy benefit reserves	Remeasurement (gains) losses of future policy benefit reserves	(10)	5	(15)	NM							
Change in fair value of market risk benefits	Change in fair value of market risk benefits	259	(11)	270	NM							
Amortization of deferred acquisition costs	Amortization of deferred acquisition costs	57	56	1	2							
Interest and debt expense	Interest and debt expense	12	10	2	20							
General and administrative expense	General and administrative expense	79	82	(3)	(4)							
Total expenses	Total expenses	776	458	318	69							
Adjusted operating earnings	Adjusted operating earnings	$100	$325	$(225)	(69)%	Adjusted operating earnings	$ 199	$	$ 194	$	$ 5	3 3 %
NM Not Meaningful.												

Our Retirement & Protection Solutions segment pretax adjusted operating earnings, which excludes net realized investment gains or losses (net of the reinsurance accrual), the market impact on variable annuity guaranteed benefits (net of hedges), the market impact on IUL benefits (net of hedges and the reinsurance accrual), mean reversion related impacts, and block transfer reinsurance transaction impacts decreased $225 million increased $5 million, or 69% 3%, for the three months ended September 30, 2023 March 31, 2024 compared to the prior year period, due to the impact of unlocking. primarily reflecting higher interest rates and market appreciation, partially offset by higher expenses associated with increased sales.

Variable annuity account balances increased 5% 9% to $75.1 billion $84.0 billion as of September 30, 2023 March 31, 2024 compared to the prior year period due to market appreciation, partially offset by net outflows of $2.8 billion $3.2 billion. Variable annuity sales increased 18% 32% compared to the prior year period reflecting an increase in sales of structured variable annuities. SVAs. Account values with living benefit riders declined to 55% 53% as of September 30, 2023 March 31, 2024 compared to 58% 57% a year ago reflecting our actions to optimize our business mix. This trend is expected to continue and meaningfully shift the mix of business away from products with living benefit guarantees over time.

Net Revenues

Management and financial advice fees increased $6 million, or 3%, for the three months ended March 31, 2024 compared to the prior year period primarily due to market appreciation, partially offset by the impact from variable annuity net outflows.

Distribution fees increased $7 million, or 7%, for the three months ended March 31, 2024 compared to the prior year period primarily due to market appreciation.

Net investment income, which excludes net realized investment gains or losses, increased $64 million $48 million, or 42% 25%, for the three months ended September 30, 2023 March 31, 2024 compared to the prior year period primarily due to higher interest rates investment portfolio repositioning resulting in higher yields and increased structured variable annuities ("SVA") SVA balances.

Premiums, policy and contract charges increased $33 million $28 million, or 10% 8%, for the three months ended September 30, 2023 March 31, 2024 compared to the prior year period primarily due to higher sales of life contingent payout annuities.

Expenses

Distribution expenses increased $14 million, or 13%, for the three months ended March 31, 2024 compared to the prior year period primarily reflecting market appreciation and higher sales of SVAs.

[Index](#)

Benefits, claims, losses and settlement expenses, which exclude the market impact on structured variable annuities indexed account embedded derivative (net of hedges) and mean reversion related impacts, increased $55 million $62 million, or 49% 38%, for the three months ended September 30, 2023 compared to the prior year period primarily reflecting the impact of higher sales of life contingent payout annuities and increased volume in SVAs, partially offset by the favorable impact of unlocking.

Change in fair value of market risk benefits, which exclude the market impact on variable annuity guaranteed benefits (net of hedges), increased $270 million, for the three months ended September 30, 2023 compared to the prior year period reflecting the impact of

[Index](#)

AMERIPRISE FINANCIAL, INC.

unlocking. The unlocking impact for three months ended September 30, 2023 was an expense of $128 million primarily reflecting lower surrender assumptions on variable annuities with living benefits compared to a benefit of $139 million for the prior year period primarily reflecting the impact of interest rate assumptions, partially offset by lower surrender assumptions and updated mortality assumptions for variable annuities with living benefits.

Corporate & Other

The following table presents the results of operations of our Corporate & Other segment on an adjusted operating basis:

	Three Months Ended September 30,		Change	
	2023	2022		
	(in millions)			
Revenues				
Distribution fees	$ 1	$ —	$ 1	— %
Net investment income	71	35	36	NM
Premiums, policy and contract charges	25	25	—	—
Other revenues	52	57	(5)	(9)
Total revenues	149	117	32	27
Banking and deposit interest expense	6	2	4	NM
Total net revenues	143	115	28	24
Expenses				
Distribution expenses	(3)	(2)	(1)	(50)
Interest credited to fixed accounts	59	61	(2)	(3)
Benefits, claims, losses and settlement expenses	59	67	(8)	(12)
Remeasurement (gains) losses of future policy benefit reserves	(2)	(6)	4	67
Amortization of deferred acquisition costs	4	—	4	—
Interest and debt expense	28	17	11	65
General and administrative expense	70	56	14	25
Total expenses	215	193	22	11
Adjusted operating loss	$ (72)	$ (78)	$ 6	8 %

NM Not Meaningful.

Our Corporate & Other segment includes our closed blocks of LTC insurance and fixed annuity and fixed indexed annuity ("FA") business.

Our Corporate & Other segment pretax adjusted operating loss excludes net realized investment gains or losses, the market impact on fixed annuity benefits (net of hedges), the market impact of hedges to offset interest rate and currency changes on unrealized gains or losses for certain investments, block transfer reinsurance transaction impact, gain or loss on disposal of a business that is not considered discontinued operations, integration and restructuring charges, and the impact of consolidating CIEs. Our Corporate & Other segment pretax adjusted operating loss decreased $6 million for the three months ended September 30, 2023 compared to the prior year period.

LTC insurance had a pretax adjusted operating earnings of $10 million for the three months ended September 30, 2023 compared to pretax adjusted operating earnings of nil for the prior year period primarily reflecting the benefit of investment portfolio repositioning and higher interest rates on cash positions compared to the prior year period.

FA business had a pretax adjusted operating loss of $8 million for the three months ended September 30, 2023 compared to a pretax adjusted operating loss of $5 million for the prior year period. Fixed deferred annuity account balances declined 11% to $6.5 billion as of September 30, 2023 compared to the prior year period as policies continue to lapse and we previously discontinued new sales of fixed deferred annuities.

Net Revenues

Net investment income, which excludes net realized investment gains or losses, the market impact of hedges to offset interest rate and currency changes on unrealized gains or losses for certain investments, block transfer reinsurance transaction impacts, integration and restructuring charges, and the impact of consolidating CIEs, increased $36 million for the three months ended September 30, 2023 compared to the prior year period primarily reflecting the benefit of investment portfolio repositioning and higher interest rates on cash positions.

Expenses

Interest and debt expense increased $11 million, or 65%, for the three months ended September 30, 2023 compared to the prior year period primarily reflecting the issuance of $750 million of unsecured senior notes in March 2023.

General and administrative expense increased $14 million, or 25%, for the three months ended September 30, 2023 compared to the prior year period primarily reflecting $7 million of severance expenses related to our expense management initiatives and are designed to improve operating efficiency and effectiveness.

Consolidated Results of Operations for the Nine Months Ended September 30, 2023 and 2022

The following table presents our consolidated results of operations:

	Nine Months Ended September 30, 2023	Nine Months Ended September 30, 2022	Change	
	(in millions)			
Revenues				
Management and financial advice fees	$ 6,623	$ 6,908	$ (285)	(4)%
Distribution fees	1,462	1,411	51	4
Net investment income	2,318	897	1,421	NM
Premiums, policy and contract charges	1,135	1,034	101	10
Other revenues	390	365	25	7
Total revenues	11,928	10,615	1,313	12
Banking and deposit interest expense	385	20	365	NM
Total net revenues	11,543	10,595	948	9
Expenses				
Distribution expenses	3,771	3,737	34	1
Interest credited to fixed accounts	464	443	21	5
Benefits, claims, losses and settlement expenses	748	(83)	831	NM
Remeasurement (gains) losses of future policy benefit reserves	(17)	(6)	(11)	NM
Change in fair value of market risk benefits	558	298	260	87
Amortization of deferred acquisition costs	185	190	(5)	(3)
Interest and debt expense	240	136	104	76
General and administrative expense	2,854	2,766	88	3
Total expenses	8,803	7,481	1,322	18
Pretax income	2,740	3,114	(374)	(12)
Income tax provision	561	614	(53)	(9)
Net income	$ 2,179	$ 2,500	$ (321)	(13)%

NM Not Meaningful.

Overall

Pretax income decreased $374 million, or 12%, for the nine months ended September 30, 2023 compared to the prior year period.

- The market impact on non-traditional long duration products (including variable and fixed deferred annuity contracts and UL insurance contracts), net of hedges and the reinsurance accrual was an expense of $137 million for the nine months ended September 30, 2023 compared to a benefit of $566 million for the prior year period.
- The unfavorable impact of unlocking was $99 million for the nine months ended September 30, 2023 compared to a favorable impact of $133 million for the prior year period.
- An unfavorable impact from the cumulative impact of Asset Management net outflows.
- A favorable impact from the trend in rising interest rates on the investment portfolio yield, including from investment portfolio repositioning in our insurance business in the fourth quarter of 2022, along with higher balances in bank and certificate products.

See our Consolidated Results of Operations for the three months ended September 30, 2023 and 2022 for a table and discussion of total pretax impacts on our revenues and expenses attributable to unlocking.

Net Revenues

Management and financial advice fees decreased $285 million, or 4%, for the nine months ended September 30, 2023 compared to the prior year period reflecting the cumulative impact of Asset Management net outflows, fixed income market depreciation and a decrease in performance fees of $47 million, partially offset by continued wrap account net inflows.

Distribution fees increased $51 million, or 4%, for the nine months ended September 30, 2023 compared to the prior year period due to $88 million of higher fees on off-balance sheet brokerage cash due to an increase in short-term interest rates, partially offset by the cumulative impact of net outflows.

Net investment income increased $1.4 billion for the nine months ended September 30, 2023 compared to the prior year period primarily reflecting:

- The favorable impact of growth in Ameriprise Bank customer deposits and certificate business as a result of the market environment and our strategic decision to invest in these businesses.
- The favorable impact of the trend in rising interest rates on the investment portfolio yield, including from investment portfolio repositioning in our insurance business in the fourth quarter of 2022.
- The favorable impact of higher net investment income of CIEs.
- The favorable impact of net realized investment losses of $27 million for the nine months ended September 30, 2023 compared to net realized investment losses of $82 million for the prior year period. Net realized investment losses for nine months ended September 30, 2023 were primarily driven by the continued fixed maturity investment portfolio repositioning. Net realized investment losses for nine months ended September 30, 2022 were primarily driven by the fixed maturity investment portfolio repositioning in response to market conditions.

Premiums, policy and contract charges increased $101 million, or 10%, for the nine months ended September 30, 2023 compared to the prior year period primarily due to higher sales of life contingent payout annuities.

Banking and deposit interest expense increased $365 million for the nine months ended September 30, 2023 compared to the prior year period primarily reflecting higher average crediting rates and higher average volumes on certificates and Ameriprise Bank cash deposits.

Expenses

Interest credited to fixed accounts increased $21 million, or 5%, for the nine months ended September 30, 2023 compared to the prior year period primarily reflecting the following items:

- A $48 million increase in expense from the unhedged nonperformance credit spread risk adjustment on IUL benefits. The favorable impact of the nonperformance credit spread was $6 million for the nine months ended September 30, 2023 compared to a favorable impact of $54 million for the prior year period.
- A $13 million decrease in expense from other market impacts on IUL benefits, net of hedges, which was an expense of $16 million for the nine months ended September 30, 2023 compared to an expense of $29 million for the prior year period. The decrease in expense was primarily due to an increase in the IUL embedded derivative in the prior period, which reflected higher option costs due to a higher new money rate, offset by more discounting due to higher Treasury rates.

Benefits, claims, losses and settlement expenses increased $831 million, for the nine months ended September 30, 2023 compared to the prior year period primarily reflecting the following items:

- A $643 million increase in expense from market impacts on SVA embedded derivative, net of hedges in place to offset those risks. This increase was the result of a favorable $746 million change in the market impact on derivatives hedging the SVA embedded derivative and an unfavorable $1.4 billion change in the market impact on SVA embedded derivative. The main market driver contributing to these changes was the equity market impact on the SVA embedded derivative net of the impact on the corresponding hedge assets resulted in an expense for the nine months ended September 30, 2023 compared to a benefit in the prior year period.
- The impact of higher sales of life contingent payout annuities.
- The impact of increased volume in SVAs.

Change in fair value of market risk benefits increased $260 million, or 87%, for the nine months ended September 30, 2023 compared to the prior year period primarily reflecting the following items:

- The impact of unlocking was an expense of $128 million for nine months ended September 30, 2023 primarily reflecting the impact of lower surrender assumptions on variable annuities with living benefits compared to a benefit of $139 million for the prior year period primarily reflecting the impact of interest rate assumptions, partially offset by lower surrender assumptions and updated mortality assumptions for variable annuities with living benefits.
- A $29 million decrease in expense from market impacts on variable annuity guaranteed benefits, net of hedges in place to offset those risks. This decrease was the result of a favorable $870 million change in the market impact on variable annuity guaranteed

benefits reserves and an unfavorable $841 million change in the market impact on derivatives hedging the variable annuity guaranteed benefits. The main market drivers contributing to these changes are summarized below:

  - Equity market impact on the variable annuity guaranteed benefits liability net of the impact on the corresponding hedge assets resulted in a benefit for the nine months ended September 30, 2023 compared to an expense in the prior year period.

- Interest rate and bond impact on the variable annuity guaranteed benefits liability net of the impact on the corresponding hedge assets resulted in a lower benefit for the nine months ended September 30, 2023 compared to the prior year period.
- Volatility impact on the variable annuity guaranteed benefits liability net of the impact on the corresponding hedge assets resulted in a lower expense for the nine months ended September 30, 2023 compared to the prior year period.
- Other unhedged items, including the difference between the assumed and actual underlying separate account investment performance, transaction costs and various behavioral items, were a lower net expense for the nine months ended September 30, 2023 compared to the prior year period.

Interest and debt expense increased $104 million, or 76%, for the nine months ended September 30, 2023 compared to the prior year period primarily reflecting higher interest expense of CIEs and the issuance of $750 million of unsecured senior notes in March 2023.

General and administrative expense increased $88 million, or 3%, for the nine months ended September 30, 2023 compared to the prior year period primarily reflecting a $20 million accrual for a regulatory matter relating to electronic communication recordkeeping requirements, higher volume related expenses and investments for business growth, $12 million of higher integration related expenses and an unfavorable change in the mark-to-market impact on share-based compensation. A portion of the higher integration related expenses was driven by the consolidation of the majority of our London-based teams into a single location following the acquisition of the BMO Global Asset Management (EMEA) business.

Income Taxes

Our effective tax rate was 20.5% for the nine months ended September 30, 2023 compared to 19.7% for the prior year period. See Note 17 to our Consolidated Financial Statements for additional discussion on income taxes.

Results of Operations by Segment for the Nine Months Ended September 30, 2023 and 2022

The following table presents summary financial information by segment:

	Nine Months Ended September 30,	
	2023	2022
	(in millions)	
Advice & Wealth Management		
Net revenues	$ 7,015	$ 6,235
Expenses	4,862	4,708
Adjusted operating earnings	$ 2,153	$ 1,527
Asset Management		
Net revenues	$ 2,433	$ 2,721
Expenses	1,907	2,023
Adjusted operating earnings	$ 526	$ 698
Retirement & Protection Solutions		
Net revenues	$ 2,558	$ 2,311
Expenses	2,075	1,643
Adjusted operating earnings	$ 483	$ 668
Corporate & Other		
Net revenues	$ 417	$ 350
Expenses	623	569
Adjusted operating loss	$ (206)	$ (219)

See our Results of Operations by Segment for the nine months ended September 30, 2023 and 2022 for a table of segment pretax adjusted operating impacts on our revenues and expenses attributable to unlocking.

Advice & Wealth Management

The following table presents the changes in wrap account assets and average balances for the nine months ended September 30:

	2023	2022
	(in billions)	
Beginning balance	$ 412.1	$ 464.7
Net flows	17.3	21.3
Market appreciation (depreciation) and other	14.7	(100.8)
Ending balance	$ 444.1	$ 385.2
Advisory wrap account assets ending balance (1)	$ 439.3	$ 381.1

Average advisory wrap account assets (2)	$ 435.6	$ 426.4

(1) Advisory wrap account assets represent those assets for which clients receive advisory services and are the primary driver of revenue earned on wrap accounts. Clients may hold non-advisory investments in their wrap accounts that do not incur an advisory fee.

(2) Average ending balances are calculated using an average of the prior period's ending balance and all months in the current period excluding the most recent month for the nine months ended September 30, 2023 and 2022.

Ending wrap account assets increased $32.0 billion, or 8%, to $444.1 billion during the nine months ended September 30, 2023 due to market appreciation and other of $14.7 billion and net inflows of $17.3 billion. Average advisory wrap account assets increased $9.2 billion, or 2%, compared to the prior year period primarily reflecting net inflows.

The following table presents the results of operations of our Advice & Wealth Management segment on an adjusted operating basis:

	Nine Months Ended September 30, 2023	Nine Months Ended September 30, 2022	Change	
	(in millions)			
Revenues				
Management and financial advice fees	$ 4,077	$ 4,017	$ 60	1 %
Distribution fees	1,714	1,650	64	4
Net investment income	1,409	417	992	NM
Other revenues	200	171	29	17
Total revenues	7,400	6,255	1,145	18
Banking and deposit interest expense	385	20	365	NM
Total net revenues	7,015	6,235	780	13
Expenses				
Distribution expenses	3,622	3,566	56	2
Interest and debt expense	19	8	11	NM
General and administrative expense	1,221	1,134	87	8
Total expenses	4,862	4,708	154	3
Adjusted operating earnings	$ 2,153	$ 1,527	$ 626	41 %

NM Not Meaningful.

Our Advice & Wealth Management segment pretax adjusted operating earnings, which exclude net realized investment gains or losses, increased $626 million, or 41%, for the nine months ended September 30, 2023 compared to the prior year period primarily reflecting higher short-term interest rates and growth in bank cash deposits and certificate products along with the cumulative impact of client net flows, partially offset by market depreciation. Pretax adjusted operating margin was 30.7% for the for the nine months ended September 30, 2023 compared to 24.5% for the prior year period.

Net Revenues

Management and financial advice fees increased $60 million, or 1%, for the nine months ended September 30, 2023 compared to the prior year period primarily due to higher average wrap account assets. Average advisory wrap account assets increased $9.2 billion, or 2%, compared to the prior year period primarily reflecting net inflows.

Distribution fees increased $64 million, or 4%, for the nine months ended September 30, 2023 compared to the prior year period reflecting $88 million of higher fees on off-balance sheet brokerage cash, primarily due to an increase in short-term interest rates.

Net investment income, which excludes net realized investment gains or losses, increased $992 million, for the nine months ended September 30, 2023 compared to the prior year period primarily due to higher average invested assets due to increased bank and certificate deposits and the favorable impact of increased short-term interest rates, including higher investment yields on the investment portfolio supporting the bank and certificate products.

Banking and deposit interest expense increased $365 million for the nine months ended September 30, 2023 compared to the prior year period primarily reflecting higher average crediting rates and higher average volumes on certificates and bank cash deposits.

Expenses

Distribution expenses increased $56 million, or 2%, for the nine months ended September 30, 2023 compared to the prior year period reflecting higher asset-based advisor compensation from higher average wrap account assets and increased investments in recruiting experienced advisors.

Interest and debt expense increased $11 million for the nine months ended September 30, 2023 compared to the prior year period due to the increase in capital supporting the growth in the bank and certificate products.

General and administrative expense increased $87 million, or 8%, for the nine months ended September 30, 2023 compared to the prior year period primarily due to a $20 million accrual for a regulatory matter relating to electronic communication recordkeeping requirements, higher volume related expenses and investments for business growth.

Asset Management

The following table presents global managed assets by type:	Average (1)	Change

	As of September 30,		Change		Nine Months Ended September 30,			
	2023	2022			2023	2022		
			(in billions)					
Equity	$ 299.1	$ 278.5	$ 20.6	7 %	$ 310.3	$ 341.4	$ (31.1)	(9)%
Fixed income	214.9	194.6	20.3	10	220.7	239.3	(18.6)	(8)
Money market	22.7	21.3	1.4	7	22.6	15.6	7.0	45
Alternative	33.6	35.2	(1.6)	(5)	34.8	38.4	(3.6)	(9)
Hybrid and other	16.9	16.9	—	—	17.2	20.5	(3.3)	(16)
Total managed assets	$ 587.2	$ 546.5	$ 40.7	7 %	$ 605.6	$ 655.2	$ (49.6)	(8)%

(1) Average ending balances are calculated using an average of the prior period's ending balance and all months in the current period.

Index

AMERIPRISE FINANCIAL, INC.

The following table presents the changes in global managed assets:

	Nine Months Ended September 30,	
	2023	2022
	(in billions)	
Global Retail Funds		
Beginning assets	$ 309.3	$ 409.4
Inflows	34.9	49.1
Outflows	(47.9)	(64.6)
Net VP/VIT fund flows	(3.7)	(3.1)
Net new flows (1)	(16.7)	(18.6)
Reinvested dividends	3.4	5.7
Net flows	(13.3)	(12.9)
Distributions	(4.1)	(6.5)
Market appreciation (depreciation) and other	17.5	(84.2)
Foreign currency translation (2)	0.8	(9.6)
Total ending assets	310.2	296.2
Global Institutional		
Beginning assets	274.7	344.7
Inflows (3)	32.9	43.8
Outflows (3)	(31.6)	(37.0)
Net flows (1)	1.3	6.8
Market appreciation (depreciation) and other (4)	(0.1)	(75.9)
Foreign currency translation (2)	1.1	(25.3)
Total ending assets	277.0	250.3
Total managed assets	$ 587.2	$ 546.5
Total net flows	$ (12.0)	$ (6.1)
Legacy insurance partners net flows (5)	$ (3.1)	$ (2.9)

(1) First quarter 2022 net flows included $2.5 billion of retail and $0.1 billion of institutional net flows from the U.S. asset transfer in connection with our acquisition of the BMO Global Asset Management (EMEA) business.

(2) Amounts represent local currency to US dollar translation for reporting purposes.

(3) Global Institutional inflows and outflows include net flows from our structured annuity product and Ameriprise Bank.

(4) Included in Market appreciation (depreciation) and other for Global Institutional is the change in affiliated general account balance, excluding net flows related to our structured variable annuity product and Ameriprise Bank.

(5) Legacy insurance partners assets and net flows are included in the rollforwards above.

Total segment AUM increased $3.2 billion, or 1%, during the nine months ended September 30, 2023 primarily due to equity market appreciation. Net outflows were $12.0 billion for the nine months ended September 30, 2023, a decrease of $5.9 billion compared to the prior year period.

Index

The following table presents the results of operations of our Asset Management segment on an adjusted operating basis:

	Nine Months Ended September 30,			
	2023	2022	Change	
	(in millions)			
Revenues				
Management and financial advice fees	$ 2,110	$ 2,398	$ (288)	(12)%
Distribution fees	272	307	(35)	(11)
Net investment income	29	6	23	NM
Other revenues	22	10	12	NM
Total revenues	2,433	2,721	(288)	(11)
Banking and deposit interest expense	—	—	—	—
Total net revenues	2,433	2,721	(288)	(11)
Expenses				
Distribution expenses	697	767	(70)	(9)
Amortization of deferred acquisition costs	4	8	(4)	(50)
Interest and debt expense	5	3	2	67
General and administrative expense	1,201	1,245	(44)	(4)
Total expenses	1,907	2,023	(116)	(6)
Adjusted operating earnings	$ 526	$ 698	$ (172)	(25)%

NM Not Meaningful.

Our Asset Management segment pretax adjusted operating earnings, which exclude net realized investment gains or losses, decreased $172 million, or 25%, for the nine months ended September 30, 2023 compared to the prior year period primarily due to the cumulative impact of net outflows, fixed income market depreciation, and lower performance fees.

Net Revenues

Management and financial advice fees decreased $288 million, or 12%, for the nine months ended September 30, 2023 compared to the prior year period primarily due to the cumulative impact from net outflows, fixed income market depreciation, and a decrease in performance fees of $47 million.

Distribution fees decreased $35 million, or 11%, for the nine months ended September 30, 2023 compared to the prior year period primarily due to the cumulative impact from net outflows.

Net investment income increased $23 million, for the nine months ended September 30, 2023 compared to the prior year period primarily driven by higher interest rates.

Expenses

Distribution expenses decreased $70 million, or 9%, for the nine months ended September 30, 2023 compared to the prior year period primarily due to the cumulative impact from net outflows.

General and administrative expense decreased $44 million, or 4%, for the nine months ended September 30, 2023 compared to the prior year period primarily reflecting lower performance fee related compensation and disciplined expense management.

Index

Retirement & Protection Solutions

The following table presents the results of operations of our Retirement & Protection Solutions segment on an adjusted operating basis:

	Nine Months Ended September 30,			
	2023	2022	Change	
	(in millions)			
Revenues				
Management and financial advice fees	$ 554	$ 604	$ (50)	(8)%
Distribution fees	298	320	(22)	(7)
Net investment income	613	389	224	58
Premiums, policy and contract charges	1,086	988	98	10

Other revenues	7	10	(3)	(30)
Total revenues	2,558	2,311	247	11
Banking and deposit interest expense	—	—	—	—
Total net revenues	2,558	2,311	247	11
Expenses				
Distribution expenses	347	346	1	—
Interest credited to fixed accounts	276	289	(13)	(4)
Benefits, claims, losses and settlement expenses	518	330	188	57
Remeasurement (gains) losses of future policy benefit reserves	(17)	(5)	(12)	NM
Change in fair value of market risk benefits	497	249	248	NM
Amortization of deferred acquisition costs	172	176	(4)	(2)
Interest and debt expense	37	28	9	32
General and administrative expense	245	230	15	7
Total expenses	2,075	1,643	432	26
Adjusted operating earnings	$ 483	$ 668	$ (185)	(28)%

NM Not Meaningful.

Our Retirement & Protection Solutions segment pretax adjusted operating earnings, which excludes net realized investment gains or losses (net of the reinsurance accrual), the market impact on variable annuity guaranteed benefits (net of hedges), the market impact on IUL benefits (net of hedges and the reinsurance accrual), mean reversion related impacts, and block transfer reinsurance transaction impacts decreased $185 million, or 28%, for the nine months ended September 30, 2023 compared to the prior year period.

Net Revenues

Management and financial advice fees decreased $50 million, or 8%, for the nine months ended September 30, 2023 compared to the prior year period primarily due to the cumulative impact from net outflows and market depreciation.

Distribution fees decreased $22 million, or 7%, for the nine months ended September 30, 2023 compared to the prior year period due to the cumulative impact from net outflows and market depreciation.

Net investment income, which excludes net realized investment gains or losses, increased $224 million, or 58%, for the nine months ended September 30, 2023 compared to the prior year period primarily due to higher interest rates, investment portfolio repositioning resulting in higher yields and increased SVA balances.

Premiums, policy and contract charges increased $98 million, or 10%, for the nine months ended September 30, 2023 compared to the prior year period primarily due to higher sales of life contingent payout annuities.

Expenses

Benefits, claims, losses and settlement expenses, which exclude the market impact on structured variable annuities indexed account embedded derivative (net of hedges) and mean reversion related impacts, increased $188 million, or 57%, for the nine months ended September 30, 2023 March 31, 2024 compared to the prior year period primarily reflecting the impact of higher sales of life contingent payout annuities and increased volume in SVAs.

Change in fair value of market risk benefits, which exclude the market impact on variable annuity guaranteed benefits (net of hedges), increased $248 million $14 million, or 12%, for the nine three months ended September 30, 2023 March 31, 2024 compared to the prior year period reflecting market depreciation appreciation on contractual fees and the impact of unlocking. The unlocking impact for nine months ended September 30, 2023 was an expense of $128 million primarily reflecting the lower surrender assumptions on variable annuities with living benefits compared to a

[Index](#)

benefit of $139 million for the prior year period primarily reflecting the impact of interest rate assumptions, partially offset by lower surrender assumptions and updated mortality assumptions for variable annuities with living benefits. fees.

General and administrative expense increased $15 million decreased $9 million, or 7% 10%, for the nine three months ended September 30, 2023 March 31, 2024 compared to the prior year period primarily reflecting higher one-time related expenses timing, and a modest increase in core expenses. the prior year period.

Corporate & Other

The following table presents the results of operations of our Corporate & Other segment on an adjusted operating basis:

	Three Months Ended March 31,	Three Months Ended March 31,		
	2024	2024	2023	Change
	(in millions)			
Revenues				
Revenues				
Revenues				

		Nine Months Ended September 30,										
Net investment income		2023	2022	Change								
		(in millions)		Change								
Revenues												
Net investment income												
Distribution fees		$ 1	$ —	$ 1	— %							
Net investment income	Net investment income	198	107	91	85	$ 58	$	$ 51	$	$ 7	14	14 %
Premiums, policy and contract charges	Premiums, policy and contract charges	72	73	(1)	(1)							
Other revenues	Other revenues	159	172	(13)	(8)							
Total revenues	Total revenues	430	352	78	22							
Banking and deposit interest expense	Banking and deposit interest expense	13	2	11	NM	Banking and deposit interest expense 8	4	4	4	4	NM	NM
Total net revenues	Total net revenues	417	350	67	19							
Expenses	**Expenses**											
Distribution expenses	Distribution expenses	(7)	(6)	(1)	(17)							
Distribution expenses												
Distribution expenses												
Interest credited to fixed accounts	Interest credited to fixed accounts	177	182	(5)	(3)							
Benefits, claims, losses and settlement expenses	Benefits, claims, losses and settlement expenses	175	184	(9)	(5)							
Remeasurement (gains) losses of future policy benefit reserves	Remeasurement (gains) losses of future policy benefit reserves	—	(1)	1	NM							
Amortization of deferred acquisition costs	Amortization of deferred acquisition costs	9	6	3	50							
Amortization of deferred acquisition costs												
Amortization of deferred acquisition costs												
Interest and debt expense	Interest and debt expense	75	48	27	56							
General and administrative expense	General and administrative expense	194	156	38	24							
Total expenses	Total expenses	623	569	54	9							
Adjusted operating loss	Adjusted operating loss	$(206)	$(219)	$13	6 %	Adjusted operating loss $(89)	$	$(74)	$	$ (15)	(20)	(20)%

NM Not Meaningful.

NM Not Meaningful - variance equal to or greater than 100%.	NM Not Meaningful - variance equal to or greater than 100%.

Our Corporate & Other segment includes our closed blocks of long term care ("LTC") insurance and fixed annuity and fixed indexed annuity ("FA") business.

Our Corporate & Other segment pretax adjusted operating loss excludes net realized investment gains or losses, the market impact on fixed index annuity benefits (net of hedges), the market impact of hedges to offset interest rate and currency changes on unrealized gains or losses for certain investments, block transfer reinsurance transaction impact, gain or loss on disposal of a business that is not considered discontinued operations, integration and restructuring charges, and the impact of consolidating CIEs. Our Corporate & Other segment pretax adjusted operating loss decreased $13 million increased $15 million, or 6% 20%, for the nine three months ended September 30, 2023 March 31, 2024 compared to the prior year period.

LTC insurance had a pretax adjusted operating earnings of $19 million $16 million for the nine three months ended September 30, 2023 March 31, 2024 compared to a pretax adjusted operating loss earnings of $11 million $8 million for the prior year period primarily reflecting the benefit of investment portfolio repositioning and higher interest rates on cash positions compared to the prior year period.

The FA business had a pretax adjusted operating loss of $22 million $6 million for the nine three months ended September 30, 2023 March 31, 2024 compared to a pretax adjusted operating loss of $15 million $9 million for the prior year period. Fixed deferred annuity account balances declined 11% to $6.1 billion as of March 31, 2024 compared to the prior year period as policies continue to lapse and we previously discontinued new sales of fixed deferred annuities.

Index

Net Revenues

Net investment income, which excludes net realized investment gains or losses, the market impact of hedges to offset interest rate and currency changes on unrealized gains or losses for certain investments, integration and restructuring charges, and the impact of consolidating CIEs, increased $91 million $7 million, or 85% 14%, for the nine three months ended September 30, 2023 March 31, 2024 compared to the prior year period primarily reflecting higher interest rates on cash positions.

Other revenues decreased $7 million, or 13%, for the three months ended March 31, 2024 compared to the prior year period primarily reflecting the benefit of investment portfolio repositioning and higher interest rates yield on cash positions. deposit receivables arising from reinsurance transactions.

Expenses

Interest and debt expense increased $27 million $7 million, or 56% 39%, for the nine three months ended September 30, 2023 March 31, 2024 compared to the prior year period primarily reflecting the issuance of $750 million and $600 million of unsecured senior notes in March 2023 and November 2023, respectively, partially offset by the maturity of $750 million of unsecured senior notes in October 2023.

Index

AMERIPRISE FINANCIAL, INC.

General and administrative expense, which excludes integration and restructuring charges, increased $38 million $15 million, or 24% 23%, for the nine three months ended September 30, 2023 March 31, 2024 compared to the prior year period primarily reflecting the unfavorable mark-to-market impact on share-based compensation expense and due to share price appreciation, increased severance expense related to our expense management initiatives. initiatives and a lease write-down.

Fair Value Measurements

We report certain assets and liabilities at fair value; specifically, separate account assets, derivatives, market risk benefits, embedded derivatives, and most investments and cash equivalents. Fair value assumes the exchange of assets or liabilities occurs in orderly transactions and is not the result of a forced liquidation or distressed sale. We include actual market prices, or observable inputs, in our fair value measurements to the extent available. Broker quotes are obtained when quotes from pricing services are not available. We validate prices obtained from third parties through a variety of means such as: price variance analysis, subsequent sales testing, stale price review, price comparison across pricing vendors and due diligence reviews of vendors. See Note 13 12 to the Consolidated Financial Statements for additional information on our fair value measurements.

Fair Value of Liabilities and Nonperformance Risk

Companies are required to measure the fair value of liabilities at the price that would be received to transfer the liability to a market participant (an exit price). Since there is not a market for our obligations of our market risk benefits, fixed deferred indexed annuities, structured variable annuities, and IUL insurance, we consider the assumptions participants in a hypothetical market would make to reflect an exit price. As a result, we adjust the valuation of market risk benefits, fixed deferred indexed annuities, structured variable annuities, and IUL insurance by updating certain contractholder assumptions, adding explicit margins to provide for risk, and adjusting the rates used to discount expected cash flows to reflect a current market estimate of our nonperformance risk. The nonperformance risk adjustment is based on observable market data adjusted to estimate the risk of our life insurance company subsidiaries not fulfilling these liabilities. Consistent with general market conditions, this estimate resulted in a spread over the U.S. Treasury curve as of September 30, 2023 March 31, 2024. As our estimate of this spread widens or tightens, the liability will decrease or increase, respectively. If this nonperformance credit spread moves to a zero spread over the U.S. Treasury curve, the reduction to future total equity would be approximately $812 $605 million, net of the reinsurance accrual and income taxes (calculated at the statutory tax rate of 21%), based on September 30, 2023 March 31, 2024 credit spreads.

Liquidity and Capital Resources

Overview

As of both September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, we had Available Capital for Capital Adequacy of $5.2 billion. $5.1 billion and $5.4 billion, respectively. Available Capital for Capital Adequacy best reflects the available capital resources of our core operations.

We maintained substantial liquidity during the nine three months ended September 30, 2023 March 31, 2024. As of both September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, we had $7.0 billion $7.1 billion and $7.5 billion, respectively, in cash and cash equivalents excluding CIEs and other restricted cash on a consolidated basis.

As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, the parent company had $728 $727 million and $389 $544 million, respectively, in cash, cash equivalents, and unencumbered liquid securities. Liquid securities predominantly include U.S. government agency mortgage backed securities. Additional sources of liquidity at the parent company include a line of credit with an affiliate up to $727 $714 million and an unsecured revolving committed credit facility for up to $1.0 billion $1.0 billion that expires in June 2026. Management's estimate of liquidity available to the parent company in a volatile and uncertain economic environment as of September 30, 2023 March 31, 2024 was $1.9 billion which includes cash, cash equivalents, unencumbered liquid securities, the line of credit with an affiliate and a portion of the committed credit facility.

Under the terms of the committed credit facility, we can increase the availability to $1.25 billion $1.25 billion upon satisfaction of certain approval requirements. Available borrowings under this facility are reduced by any outstanding letters of credit. At September 30, 2023 March 31, 2024, we had no outstanding borrowings under this credit facility and had $1 million of letters of credit issued against the facility. Our credit facility

contains various administrative, reporting, legal and financial covenants. We remained in compliance with all such covenants at September 30, 2023 March 31, 2024.

In addition, we have access to collateralized borrowings, which may include repurchase agreements, Federal Home Loan Bank ("FHLB") advances, and advances at the Federal Reserve. Our subsidiaries, RiverSource Life Insurance Company ("RiverSource Life"), and Ameriprise Bank FSB are members of the FHLB of Des Moines, which provides access to collateralized borrowings. As of September 30, 2023 both March 31, 2024 and December 31, 2022 December 31, 2023, we had $8.1 billion and $8.0 billion, respectively, $8.6 billion of estimated borrowing capacity under the FHLB facilities, of which $201 million $201 million was outstanding as of both September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, and is collateralized with commercial mortgage backed securities. In addition, Ameriprise Bank FSB maintains access to borrowings from the Federal Reserve which are collateralized with residential mortgage backed securities, commercial mortgage backed securities and corporate debt securities. As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, we estimated $11.8 billion $12.4 billion and $9.0 billion, $12.3 billion, respectively, of borrowing capacity from the Federal Reserve in addition to the FHLB capacity and there were no outstanding obligations.

There have been no material changes to our contractual obligations disclosed in our 2022 2023 10-K.

We issued $750 million of 5.15% unsecured senior notes on March 9, 2023. We repaid $750 million principal amount of our 4.0% senior notes at maturity on October 16, 2023. See Note 12 11 to our Consolidated Financial Statements for further information about our long-term debt maturities, including $550 million $550 million maturing within the 2024 calendar year. in October 2024.

We believe cash flows from operating activities, available cash balances, our availability of internal and external borrowings, access to debt markets, and dividends from our subsidiaries will be sufficient to fund our short-term and long-term operating liquidity needs and stress requirements.

On August 16, 2022, federal legislation commonly referred to as the Inflation Reduction Act of 2022 ("IRA") was enacted. We have evaluated the tax provisions of the IRA, the most significant of which are the corporate alternative minimum tax ("CAMT") and the share repurchase excise tax. Both the CAMT and share repurchase tax are were effective beginning in 2023. We are an applicable corporation required to compute CAMT; however, based on current estimates, we do not believe we will expect to be liable for the CAMT in 2023 2024 and therefore have not recorded a liability. We are a covered corporation subject to the 1% excise tax on the net shares repurchased. We have recorded in shareholders' equity an estimate of the excise tax liability based on our interpretation of the current guidance. As the Internal Revenue Service issues additional guidance related to the IRA, we will continue to evaluate any impact to our consolidated financial statements.

In December 2021, the Organization for Economic Co-operation and Development published the Pillar Two model rules which introduce new taxing mechanisms aimed at ensuring multinational enterprises pay a minimum level of tax on profits from each jurisdiction in which they operate. Various jurisdictions in which we operate have enacted or substantively enacted Pillar Two legislation that became effective beginning January 1, 2024. We intend to rely on Pillar Two transitional safe harbors where available and, based on the current estimate, have not recorded any Pillar Two tax liabilities. We continue to monitor the adoption and implementation of these rules and evaluate the potential impact on our consolidated financial statements.

Dividends from Subsidiaries

Ameriprise Financial is primarily a parent holding company for the operations carried out by our wholly-owned subsidiaries. Because of our holding company structure, our ability to meet our cash requirements, including the payment of dividends on our common stock, substantially depends upon the receipt of dividends or return of capital from our subsidiaries, particularly our life insurance subsidiary, RiverSource Life, our face-amount certificate subsidiary, Ameriprise Certificate Company ("ACC"), Ameriprise Bank, AMPF Holding, LLC, which is the parent company of our retail introducing broker-dealer subsidiary, Ameriprise Financial Services, LLC ("AFS") and our clearing broker-dealer subsidiary, American Enterprise Investment Services, Inc. ("AEIS"), our transfer agent subsidiary, Columbia Management Investment Services Corp. ("CMIS"), our investment advisory company, Columbia Management Investment Advisers, LLC ("CMIA"), TAM UK International Holdings Ltd, which includes Ameriprise International Holdings GmbH within its organizational structure, and Columbia Threadneedle Investments UK International Ltd. The payment of dividends by many of our subsidiaries is restricted and certain of our subsidiaries are subject to regulatory capital requirements. For example, RiverSource Life payments in excess of statutory unassigned funds require advanced notice to the Minnesota Department of Commerce ("MN DOC"), RiverSource Life's primary regulator, and are subject to potential disapproval. In addition, dividends and other distributions whose fair market value, together with that of other dividends or distributions made within the preceding 12 months, exceeds the greater of the previous year's statutory net gain from operations or 10% of the previous year-end statutory capital and surplus are referred to as "extraordinary dividends." Extraordinary dividends also require advanced notice to MN DOC, and are subject to potential disapproval.

Our broker-dealer subsidiaries are subject to the Uniform Net Capital Rule (Rule 15c3-1) under the Securities Exchange Act of 1934. Rule 15c3-1 provides an "alternative net capital requirement" which AEIS and AFS (significant broker dealers) have elected. Regulations require that minimum net capital, as defined, be equal to the greater of $250 thousand or 2% of aggregate debit items arising from client balances. The Financial Industry Regulatory Authority ("FINRA") may impose certain restrictions, such as restricting withdrawals of equity capital, if a member firm were to fall below a certain threshold or fail to meet minimum net capital requirements.

Index

AMERIPRISE FINANCIAL, INC.

Ameriprise Bank is subject to regulation by the Office of the Comptroller of the Currency (“OCC”) and the Federal Deposit Insurance Corporation in its role as insurer of its deposits. Ameriprise Bank is required to maintain minimum amounts and ratios of Total and Tier 1 capital (as defined in the regulations) to risk-weighted assets (as defined), Tier 1 Capital to average assets (as defined), and under rules defined under the Basel III capital framework, Common equity Tier 1 capital (“CEIT”) to risk-weighted assets. Ameriprise Bank calculates these ratios under the Basel III standardized approach in order to assess compliance with both regulatory requirements and Ameriprise Bank’s internal capital policies. As permitted under the rules of the Basel III capital framework, we have elected to exclude AOCI from the calculation of regulatory capital.

ACC is registered as an investment company under the Investment Company Act of 1940 (the “1940 Act”). ACC markets and sells investment certificates to clients. ACC is subject to various capital requirements under the 1940 Act, laws of the State of Minnesota and understandings with the SEC and the Minnesota Department of Commerce. The terms of the investment certificates issued by ACC and the provisions of the 1940 Act also require the maintenance by ACC of qualified assets.

Actual capital and the regulatory capital requirement for TAM UK International Holdings Ltd. and Columbia Threadneedle Investments UK International Ltd. are calculated and reported as a single consolidated group under TAM UK International Holdings Ltd. Required capital for these entities is predominantly based on the requirements specified by its regulator, the FCA, under its Capital Adequacy Requirements for investment firms.

Actual capital and regulatory capital requirements for our wholly owned subsidiaries subject to regulatory capital requirements were as follows:

		Actual Capital		Regulatory Capital Requirements	
		September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022
		(in millions)			
RiverSource Life (1)	RiverSource Life (1)	$ 2,842	$ 3,103	N/A	$ 571
RiverSource Life of NY (1)	RiverSource Life of NY (1)	222	320	N/A	40
ACC (3)(4)	ACC (3)(4)	720	534	$ 672	496
TAM UK International Holdings Ltd (5)		328	437	211	214
TAM UK International Holdings Ltd. (5)					
Ameriprise Bank, FSB (6)		1,719	1,542	1,141	999
Ameriprise Bank (6)					
Ameriprise Bank (6)					
Ameriprise Bank (6)					
AFS (2)(3)	AFS (2)(3)	204	90	#	#
Ameriprise Captive Insurance Company (2)	Ameriprise Captive Insurance Company (2)	39	38	13	10
Ameriprise Trust Company (2)	Ameriprise Trust Company (2)	60	54	41	38
AEIS (2)(3)	AEIS (2)(3)	152	208	28	26
RiverSource Distributors, Inc. (2)(3)	RiverSource Distributors, Inc. (2)(3)	13	12	#	#

	Actual Capital			Regulatory Capital Requirements		
	March 31, 2024	December 31, 2023		March 31, 2024	December 31, 2023	
	(in millions)				(in millions)	
AFS (2)(3)	167	101	101	#	#	
RiverSource Distributors, Inc. (2)(3)	13	13	13	#	#	#

Columbia Management Investment Distributors, Inc. (2)(3)	Columbia Management Investment Distributors, Inc. (2)(3)	17	17	#	#	Columbia Management Investment Distributors, Inc. (2)(3)	17	17	17	#	#	#
Columbia Threadneedle Investments UK International Ltd. (5)		333	330	154	152							

N/A Not applicable as only required to be calculated annually.

Amounts are less than $1 million.

(1) Actual capital is determined on a statutory basis. Regulatory capital requirement is the company action level and is based on the statutory risk-based capital filing.

(2) Regulatory capital requirement is based on the applicable regulatory requirement, calculated as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023.

(3) Actual capital is determined on an adjusted GAAP basis.

(4) ACC is required to hold capital in compliance with the Minnesota Department of Commerce and SEC capital requirements.

(5) Actual capital and regulatory capital requirements are determined in accordance with U.K. regulatory legislation.

(6) Actual capital and regulatory capital requirements are determined in accordance with rules defined under Basel III capital framework. As permitted, AOCI is excluded from the calculation of regulatory capital.

In October 2023, the Federal Reserve Board ("FRB") issued its final rule establishing a consolidated capital framework termed the "Building Block Approach" for savings and loan holding companies like Ameriprise Financial that are significantly engaged in insurance activities. The rule is became effective January 1, 2024, with reporting to the FRB beginning in 2025.

In addition to the particular regulations restricting dividend payments and establishing subsidiary capitalization requirements, we take into account the overall health of the business, capital levels and risk management considerations in determining a strategy for payments to our parent holding company from our subsidiaries, and in deciding to use cash to make capital contributions to our subsidiaries.

During the nine three months ended September 30, 2023 March 31, 2024, the parent holding company received cash dividends or a return of capital from its subsidiaries of $2.3 billion $832 million (including $500 $200 million from RiverSource Life and $1.1 billion $320 million from AMPF Holding, LLC) and contributed cash to its subsidiaries of $277 $60 million. During the nine three months ended September 30, 2022 March 31, 2023, the parent holding company

received cash dividends or a return of capital from its subsidiaries of $2.2 billion $605 million (including $600 $200 million from RiverSource Life) and contributed cash to its subsidiaries of $512 million (including $375 million to Ameriprise Bank, FSB). $138 million.

In 2009, RiverSource Life established an agreement to protect its exposure to Genworth Life Insurance Company ("GLIC") for its reinsured LTC. In 2016, substantial enhancements to this reinsurance protection agreement were finalized. The terms of these confidential provisions within the agreement have been shared, in the normal course of regular reviews, with our domiciliary regulator and rating agencies. GLIC is domiciled in Delaware, so in the event GLIC was subjected to rehabilitation or insolvency proceedings, such proceedings would be located in (and governed by) Delaware laws. Delaware courts have a long tradition of respecting commercial and reinsurance affairs as well as contracts among sophisticated parties. Similar credit protections to what we have with GLIC have been tested and respected in Delaware and elsewhere in the United States, and as a result we believe our credit protections would be respected even in the unlikely event that GLIC becomes subject to rehabilitation or insolvency proceedings in Delaware. Accordingly, while no credit protections are perfect, we believe the correct way to think about the risks represented by our counterparty credit exposure to GLIC is not the full amount of the gross liability that GLIC reinsures, but a much smaller net exposure to GLIC (if any that might exist after taking into account our credit protections). Thus, management believes that our agreement and offsetting non-LTC legacy arrangements with Genworth Financial, Inc. will enable RiverSource Life to recover on all net exposure in all material respects in the event of a rehabilitation or insolvency of GLIC.

Dividends Paid to Shareholders and Share Repurchases

We paid regular quarterly dividends to our shareholders totaling $427 million $143 million and $416 million $138 million for the nine three months ended September 30, 2023 March 31, 2024 and 2022, 2023, respectively. On October 25, 2023 April 22, 2024, we announced a quarterly dividend of $1.35 $1.48 per common share. The dividend will be paid on November 17, 2023 May 17, 2024 to our shareholders of record at the close of business on November 6, 2023 May 6, 2024.

In January 2022, our Board of Directors authorized us to repurchase up to $3.0 billion for the repurchase of our common stock through March 31, 2024. On July 24, 2023, our Board of Directors authorized an additional $3.5 billion for the repurchase of our common stock through September 30, 2025. As of September 30, 2023 March 31, 2024, we had $3.6 $2.6 billion remaining under these this share repurchase authorizations. authorization. We intend to fund share repurchases through existing excess capital, future free cash flow generation and other customary financing methods. The share repurchase program does not require the purchase of any minimum number of shares, and depending on market conditions and other factors, these purchases may be commenced or suspended at any time without prior notice. Acquisitions under the share repurchase program may be made in the open market, through privately negotiated transactions or block trades or other means. During the nine three months ended September 30, 2023 March 31, 2024, we repurchased a total of 4.7 million 1.2 million shares of our common stock at an average price of $325.53 $409.96 per share.

Cash Flows

Cash flows of CIEs and restricted and segregated cash and cash equivalents are reflected in our cash flows provided by (used in) operating activities, investing activities and financing activities. Cash held by CIEs is not available for general use by Ameriprise Financial, nor is Ameriprise Financial cash available for general use by its CIEs. Cash and cash equivalents segregated under federal and other regulations is held for the exclusive benefit of our brokerage customers and is not available for general use by Ameriprise Financial.

Operating Activities

Net cash provided by operating activities decreased $648 million increased $388 million to $2.5 billion $1.4 billion for the nine three months ended September 30, 2023 March 31, 2024 compared to $3.2 billion $1.1 billion for the prior year period primarily reflecting higher investment income taxes paid from rising interest rates on the investment portfolio yield and decreases net cash inflows in brokerage deposits, partially offset by higher investment income on fixed maturity securities. The higher investment income is driven by higher yields and the growth in Ameriprise Bank customer deposits and certificate business growth. deposits.

Investing Activities

Our investing activities primarily relate to our Available-for-Sale investment portfolio and in recent quarters is significantly affected by the net flows of our face amount certificates and bank deposit activity.

Net cash used in investing activities decreased $1.9 billion $2.5 billion to $7.3 billion $569 million for the nine three months ended September 30, 2023 March 31, 2024 compared to $9.2 billion $3.1 billion for the prior year period primarily reflecting a $811 million $1.1 billion decrease in purchases of Available-for-Sale securities and a $1.8 billion increase in proceeds from maturities, sinking fund payments and calls of Available-for-Sale securities, a $442 million decrease in net cash outflows related to investments of consolidated investment entities, a $254 million decrease in net cash outflows for written options with deferred premiums and a $258 million decrease in cash used for purchases of Available-for-Sale securities.

Financing Activities

Net cash used in financing activities was $1.4 billion for the three months ended March 31, 2024 compared to net cash provided by financing activities decreased $2.2 billion to $4.0 billion for the nine months ended September 30, 2023 compared to $6.2 billion of $3.2 billion for the prior year period period. The decrease in net cash provided by financing activities primarily reflecting reflects a $4.5 billion $2.0 billion decrease in net cash flows from investment certificates and a $1.9 billion decrease in the change in banking deposits, net, partially offset by a $2.4 billion increase in net cash flows from investment certificates. net.

Forward-Looking Statements

This report contains forward-looking statements that reflect management's plans, estimates and beliefs. Actual results could differ materially from those described in these forward-looking statements. Examples of such forward-looking statements include:

- statements of the Company's plans, intentions, positioning, expectations, objectives or goals, including those relating to asset flows, mass affluent and affluent client acquisition strategy, client retention and growth of our client base, financial advisor productivity, retention, recruiting and enrollments, the introduction, cessation, terms or pricing of new or existing products and services, acquisition integration, benefits and claims expenses, general and administrative costs, consolidated tax rate, return of capital to shareholders, debt repayment and excess capital position and financial flexibility to capture additional growth opportunities;
- statements about the expected trend in the shift to lower-risk products, including the exit from variable annuities with living benefit riders;
- statements about the strategic and regulatory outcomes from the withdrawal of our application to convert Ameriprise Bank to a state-chartered bank and national trust bank; products;
- statements about the anticipated deposit growth or statements about rising interest rates and the impacts on investment portfolio yield;
- other statements about future economic performance, the performance of equity markets and interest rate variations and the economic performance of the United States and of global markets; and
- statements of assumptions underlying such statements.

The words "believe," "expect," "anticipate," "optimistic," "intend," "plan," "aim," "will," "may," "should," "could," "would," "likely," "forecast," "on track," "project," "continue," "able to remain," "resume," "deliver," "develop," "evolve," "drive," "enable," "flexibility," "scenario," "case", "appear", "expand" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. Forward-looking statements are subject to risks and uncertainties, which could cause actual results to differ materially from such statements.

Such factors include, but are not limited to:

- market fluctuations and general economic and political factors, including volatility in the U.S. and global market conditions, client behavior and volatility in the markets for our products;
- changes in interest rates;
- adverse capital and credit market conditions or any downgrade in our credit ratings;
- effects of competition and our larger competitors' economies of scale;
- declines in our investment management performance;
- our ability to compete in attracting and retaining talent, including financial advisors;
- impairment, negative performance or default by financial institutions or other counterparties;
- the ability to maintain our unaffiliated third-party distribution channels and the impacts of sales of unaffiliated products;
- changes in valuation of securities and investments included in our assets;

- the determination of the amount of allowances taken on loans and investments;
- the illiquidity of our investments;
- effects of the elimination of LIBOR on, and value of, securities and other assets and liabilities tied to LIBOR;
- failures by other insurers that lead to higher assessments we owe to state insurance guaranty funds;
- failures or defaults by counterparties to our reinsurance arrangements;
- inadequate reserves for future policy benefits and claims or for future redemptions and maturities;
- deviations from our assumptions regarding morbidity, mortality and persistency affecting our insurance profitability;
- changes to our reputation arising from employee or advisor misconduct or otherwise;
- direct or indirect effects of or responses to climate change;
- interruptions or other failures in our operating systems and networks, including errors or failures caused by third-party service providers, interference or third-party attacks;

Index

- interruptions or other errors in our telecommunications or data processing systems;
- identification and mitigation of risk exposure in market environments, new products, vendors and other types of risk;
- ability of our subsidiaries to transfer funds to us to pay dividends;
- changes in exchange rates and other risks in connection with our international operations and earnings and income generated overseas;
- occurrence of natural or man-made disasters and catastrophes;
- risks in acquisition transactions, such as the integration of the BMO Global Asset Management (EMEA) business, or other potential strategic acquisitions or divestitures;
- legal and regulatory actions brought against us;
- changes to laws and regulations that govern operation of our business;
- supervision by bank regulators and related regulatory and prudential standards as a savings and loan holding company that may limit our activities and strategies;
- changes in corporate tax laws and regulations and interpretations and determinations of tax laws impacting our products;
- protection of our intellectual property and claims we infringe the intellectual property of others; and
- changes in and the adoption of new accounting standards.

Index

Management cautions the reader that the foregoing list of factors is not exhaustive. There may also be other risks that management is unable to predict at this time that may cause actual results to differ materially from those in forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made. Management undertakes no obligation to update publicly or revise any forward-looking statements. The foregoing list of factors should be read in conjunction with the “Risk Factors” discussion included in Part I, Item 1A of our 2022 2023 10-K.

Ameriprise Financial announces financial and other information to investors through the Company’s investor relations website at ir.ameriprise.com, as well as SEC filings, press releases, public conference calls and webcasts. Investors and others interested in the company are encouraged to visit the investor relations website from time to time, as information is updated and new information is posted. The website also allows users to sign up for automatic notifications in the event new materials are posted. The information found on the website is not incorporated by reference into this report or in any other report or document the Company furnishes or files with the SEC.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market Risk

Our primary market risk exposures are interest rate, equity price, foreign currency exchange rate and credit risk. Equity price and interest rate fluctuations can have a significant impact on our results of operations, primarily due to the effects they have on the asset management and other asset-based fees we earn, the spread income generated on our brokerage client cash balances, banking deposits, face-amount certificate products, fixed portion of our variable annuities and variable insurance contracts, fixed annuity and insurance contracts, the value of market risk benefits and other liabilities associated with our variable annuities and the value of derivatives held to hedge related benefits.

Market risk benefits continue to be managed by utilizing a hedging program which attempts to match the sensitivity of the assets with the sensitivity of the benefits. This approach works with the premise that matched sensitivities will produce a highly effective hedging result. Our comprehensive hedging program focuses mainly on first order sensitivities of assets and liabilities: Equity Market Level (Delta), Interest Rate Level (Rho) and Volatility (Vega). Additionally, various second order sensitivities are managed. We use various options, swaptions, swaps and futures to manage risk exposures. The exposures are measured and monitored daily, and adjustments to the hedge portfolio are made as necessary.

To evaluate interest rate and equity price risk, we perform sensitivity testing which measures the impact on pretax income from the sources listed below for a 12-month period following a hypothetical 100 basis point increase in interest rates or a hypothetical 10% decline in equity prices. The interest rate risk test assumes a sudden 100 basis point parallel shift in the yield curve, with rates then staying at those levels for the next 12 months. The equity price risk test assumes a sudden 10% drop in equity prices, with equity prices then staying at those levels for the next 12 months. In estimating the values of variable annuities, indexed annuities, stock market certificates, indexed universal life (“IUL”) insurance and the associated hedging instruments, we assume no change in implied market volatility despite the 10% drop in equity prices.

Index

The following tables present our estimate of the impact on pretax income from the above defined hypothetical market movements as of September 30, 2023 and December 31, 2022 March 31, 2024:

September 30, 2023

Equity Price Decline 10%	Equity Price Exposure to Pretax Income		
	Before Hedge Impact	Hedge Impact	Net Impact
	(in millions)		
Asset-based management and distribution fees (1)	$ (292)	$ 2	$ (290)
Variable annuity and structured variable annuity benefits:			
Market risk benefits	(936)	688	(248)
Indexing feature for structured variable annuities	692	(449)	243
Total variable annuity and structured variable annuity benefits	(244)	239	(5)
Certificates	3	(3)	—
IUL insurance	56	(53)	3
Total	$ (477)	$ 185	$ (292) (2)

Interest Rate Increase 100 Basis Points	Interest Rate Exposure to Pretax Income		
	Before Hedge Impact	Hedge Impact	Net Impact
	(in millions)		
Asset-based management and distribution fees (1)	$ (54)	$ —	$ (54)
Variable annuity and structured variable annuity benefits:			
Market risk benefits	1,223	(841)	382
Indexing feature for structured variable annuities	12	114	126
Total variable annuity and structured variable annuity benefits	1,235	(727)	508
Fixed annuities, fixed insurance and fixed portion of variable annuities and variable insurance products	46	—	46
Banking deposits	25	—	25
Brokerage client cash balances	50	—	50
Certificates	(9)	—	(9)
IUL insurance	13	2	15
Total	$ 1,306	$ (725)	$ 581

December 31, 2022

Equity Price Decline 10%	Equity Price Decline 10%	Equity Price Exposure to Pretax Income		
		Before Hedge Impact	Hedge Impact	Net Impact
Before Hedge Impact				
Before Hedge Impact			Hedge Impact	Net Impact
		(in millions)		
Asset-based management and distribution fees (1)	Asset-based management and distribution fees (1)	$ (285)	$ 2	$ (283)
Asset-based management and distribution fees (1)				
Asset-based management and distribution fees (1)				
Variable annuity and structured variable annuity benefits:				
Variable annuity and structured variable annuity benefits:				

Variable annuity and structured variable annuity benefits:			
Market risk benefits	(870)	648	(222)
Indexing feature for structured variable annuities	494	(291)	203
Total variable annuity and structured variable annuity benefits	(376)	357	(19)
Certificates	1	(1)	—
IUL insurance	39	(21)	18
Total	$ (621)	$ 337	$ (284) (2)

Variable annuity and structured variable annuity benefits:
Market risk benefits
Market risk benefits
Market risk benefits
Indexing feature for structured variable annuities
Indexing feature for structured variable annuities
Indexing feature for structured variable annuities
Total variable annuity and structured variable annuity benefits
Total variable annuity and structured variable annuity benefits
Total variable annuity and structured variable annuity benefits
IUL insurance
IUL insurance
IUL insurance
Total
Total

Total	$ (387)	$ 10	$ (377) (2)

[Index](#)

AMERIPRISE FINANCIAL, INC.

Interest Rate Increase 100 Basis Points	Interest Rate Exposure to Pretax Income		
	Before Hedge Impact	Hedge Impact	Net Impact
	(in millions)		

Interest Rate Increase 100 Basis Points
Before Hedge Impact
Before Hedge Impact
Hedge Impact
Net Impact
(in millions)

Asset-based management and distribution fees (1)	Asset-based management and distribution fees (1)	$ (53)	$ —	$ (53)
Asset-based management and distribution fees (1)				
Asset-based management and distribution fees (1)				
Variable annuity and structured variable annuity benefits:				
Variable annuity and structured variable annuity benefits:				
Variable annuity and structured variable annuity benefits:	Variable annuity and structured variable annuity benefits:			
Market risk benefits	Market risk benefits	1,484	(1,028)	456
Market risk benefits				
Market risk benefits				
Indexing feature for structured variable annuities				
Indexing feature for structured variable annuities				
Indexing feature for structured variable annuities	Indexing feature for structured variable annuities	(29)	82	53
Total variable annuity and structured variable annuity benefits	Total variable annuity and structured variable annuity benefits	1,455	(946)	509
Total variable annuity and structured variable annuity benefits				
Total variable annuity and structured variable annuity benefits				
Fixed annuities, fixed insurance and fixed portion of variable annuities and variable insurance products				

Fixed annuities, fixed insurance and fixed portion of variable annuities and variable insurance products				
Fixed annuities, fixed insurance and fixed portion of variable annuities and variable insurance products	Fixed annuities, fixed insurance and fixed portion of variable annuities and variable insurance products	25	—	25
Banking deposits	Banking deposits	28	—	28
Banking deposits				
Banking deposits				
Brokerage client cash balances				
Brokerage client cash balances				
Brokerage client cash balances	Brokerage client cash balances	146	—	146
Certificates	Certificates	(9)	—	(9)
Certificates				
Certificates				
IUL insurance				
IUL insurance				
IUL insurance	IUL insurance	12	1	13
Total	Total	$ 1,604	$ (945)	$ 659
Total				
Total				

(1) Excludes incentive income which is impacted by market and fund performance during the period and cannot be readily estimated.

(2) Represents the net impact to pretax income. The estimated net impact to pretax adjusted operating income is $(290) $(335) million as of September 30, 2023 March 31, 2024.

The above results compare to an estimated negative net impact to pretax income of $332 million related to a 10% equity price decline and $(283) million an estimated positive net impact to pretax income of $561 million related to a 100 basis point increase in interest rates as of December 31, 2022, respectively. December 31, 2023.

Net impacts shown in the above tables from market risk benefits result largely from differences between the liability valuation basis and the hedging basis. Liabilities are valued using fair value accounting principles, with risk margins incorporated in contractholder behavior assumptions. Our hedging is based on our determination of economic risk, which excludes certain items in the liability valuation.

Actual results could and likely will differ materially from those illustrated above as fair values have a number of estimates and assumptions. For example, the illustration above includes assuming that implied market volatility does not change when equity prices fall by 10% and that the 100 basis point increase in interest rates is a parallel shift of the yield curve. Furthermore, we have not tried to anticipate changes in client preferences for different types of assets or other changes in client behavior, nor have we tried to anticipate all strategic actions management might take to increase revenues or reduce expenses in the above these scenarios.

The selection of a 100 basis point interest rate increase as well as a 10% equity price decline should not be construed as a prediction of future market events. Impacts of larger or smaller changes in interest rates or equity prices will not be proportional to those shown for a 100 basis point increase in interest rates or a 10% decline in equity prices.

Asset-Based Management and Distribution Fees

We earn asset-based management fees and distribution fees on our assets under management. As of September 30, 2023, the value of our assets under management was $1.0 trillion. These sources of revenue are subject to both interest rate and equity price risk since the value of these assets and the fees they earn fluctuate inversely with interest rates and directly with equity prices. We currently only hedge certain equity price risk for this exposure, primarily using futures and swaps. We currently do not hedge any of the interest rate risk for this exposure.

Market Risk Benefits

The total contract value of all variable annuities as of September 30, 2023 was $75.1 billion. See Note 11 for details of the reserves associated with market risk benefits. The changes in fair value of variable annuity market risk benefits are recorded through earnings, with the exception of the portion of the change in fair value due to a change in our nonperformance risk, which is recognized in other comprehensive income (loss). Fair value is calculated based on projected, discounted cash flows over the life of the contract, including projected, discounted benefits and fees.

Equity Price Risk

The variable annuity guaranteed benefits guarantee payouts to the annuity holder under certain specific conditions regardless of the performance of the investment assets. For this reason, when equity prices decline, the returns from the separate account assets coupled with guaranteed benefit fees from annuity holders may not be sufficient to fund expected payouts. In that case, reserves must be increased with a negative impact to earnings.

The core derivative instruments with which we hedge the equity price of risk these benefits are longer dated put and call options; these core instruments are supplemented with equity futures and total return swaps. See Note 15 to our Consolidated Financial Statements for further information on our derivative instruments.

Interest Rate Risk

Increases in interest rates reduce the fair value of the liabilities and may result in market risk benefits in an asset position. The interest rate exposure is hedged with a portfolio of interest rate swaps, futures and swaptions. We have entered into interest rate swaps according to risk exposures along maturities, thus creating both fixed rate payor and variable rate payor terms. If interest rates were to increase, we would have to pay more to the swap counterparty, and the fair value of our equity puts would decrease, resulting in a negative impact to our pretax income.

Structured Variable Annuities

Structured variable annuities offer the contractholder the ability to allocate account value to either an account that earns fixed interest (fixed account) or an account that is impacted by the performance of various equity indices (indexed account) subject to a cap, floor or buffer. Our earnings are based upon the spread between investment income earned and the credits made to the fixed account and benefits reflected in an indexed account of the structured variable annuities. As of September 30, 2023, we had $9.2 billion in liabilities related to structured variable annuities.

Equity Price Risk

The equity-linked return to contractholders creates equity price risk as the amount paid to contractholders depends on changes in equity prices. The equity price risk for structured variable annuities is evaluated together with the variable annuity riders as part of a hedge program using the derivative instruments consistent with our hedging on variable annuity riders.

Interest Rate Risk

The fair value of the embedded derivative associated with structured variable annuities is based on a discounted cash flow approach. Changes in interest rates impact the discounting of the embedded derivative liability. The spread between the investment income earned and amounts transferred to contractholders is also affected by changes in interest rates. These interest rate risks associated with structured variable annuities are not currently hedged.

Fixed Annuities, Fixed Insurance and Fixed Portion of Variable Annuities and Variable Insurance Contracts

Our earnings from fixed deferred annuities, fixed insurance, and the fixed portion of variable annuities and variable insurance contracts are based upon the spread between rates earned on assets held and the rates at which interest is credited to accounts. We primarily invest in fixed rate securities to fund the rate credited to clients. We guarantee an interest rate to the holders of these products. Investment assets and client liabilities generally differ as it relates to basis, repricing or maturity characteristics. Rates credited to clients' accounts generally reset at shorter intervals than the yield on the underlying investments. Therefore, in an increasing interest rate environment, higher interest rates may be reflected in crediting rates to clients sooner than in rates earned on invested assets, which could result in a reduced spread between the two rates, reduced earned income and a negative impact on pretax income. While interest rates under the current environment have relieved some pressure from the liability guaranteed minimum interest rates ("GMIRs"), there are still some GMIRs above current levels. Hence, liability credited rates will move more slowly under a modest rise in interest rates while projected asset purchases would capture the full increase in interest rates. This dynamic would result in widening spreads under a modestly rising rate scenario given the current relationship between the current level of interest rates and the underlying GMIRs on the business. Of the $35.5 billion $38.7 billion in Policyholder account balances, future policy benefits and claims as of September 30, 2023 March 31, 2024, $17.2 billion $16.6 billion is related to liabilities created by these products. We do not hedge this exposure.

As a result of the current market environment, reinvestment yields are becoming more aligned with the current portfolio yield. We would expect the recent decline in our portfolio income yields to slow and begin to stabilize in future periods under the current environment. The carrying value and weighted average yield of non-structured fixed maturity securities and commercial mortgage loans that may generate proceeds to reinvest through September 25, 2025 March 31, 2026 due to prepayment, maturity or call activity at the option of the issuer, excluding securities with a make-whole provision, were $5.2 billion $5.7 billion and 4.9% 5.1%, respectively, as of September 30, 2023 March 31, 2024. In addition, residential mortgage backed securities, which can be subject to prepayment risk under a low interest rate environment, totaled $19.3 billion $21.4 billion and had a weighted average yield of 4.3% 4.5% as of September 30, 2023 March 31, 2024. While these amounts represent investments that could be

Index

AMERIPRISE FINANCIAL, INC.

subject to reinvestment risk, it is also possible that these investments will be used to fund liabilities or may not be prepaid and will remain invested at their current yields. In addition to the interest rate environment, the mix of benefit payments versus product sales as well as the timing and volumes associated with such mix may impact our investment yield. Furthermore, reinvestment activities and the associated investment yield may also be impacted by corporate strategies implemented at management's discretion. The average yield for investment purchases during the nine three months ended September 30, 2023 March 31, 2024 was approximately 5.7% 5.6%.

The reinvestment of proceeds from maturities, calls and prepayments at rates near the current portfolio yield will have a limited impact to future operating results. In this volatile rate environment, we assess reinvestment risk in our investment portfolio and monitor this risk in accordance with our asset/liability management framework. In addition, we may update the crediting rates on our fixed products when warranted, subject to guaranteed minimums.

See Note 9 8 for more information on the account values of fixed deferred annuities, fixed insurance, and the fixed portion of variable annuities and variable insurance contracts by range of GMIRs and the range of the difference between rates credited to policyholders and contractholders as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023 and the respective guaranteed minimums, as well as the percentage of account values subject to rate reset in the time period indicated.

Banking Deposits and Brokerage Client Cash Balances

We pay interest on banking deposits and certain brokerage client cash balances and have the ability to reset these rates from time to time based on prevailing economic and business conditions. We earn revenue to fund the interest paid from interest-earning assets or fees from off-balance sheet deposits at Federal Deposit Insurance Corporation insured institutions, which are indexed to short-term interest rates. In general, the change in interest paid lags the change in revenues earned.

Certificate Products

Fixed Rate Certificates

We have interest rate risk from our investment certificates generally ranging in amounts from $1 thousand to $2 million with interest crediting rate terms ranging from 3 to 36 months. We guarantee an interest rate to the holders of these products. Payments collected from clients are primarily invested in fixed income securities to fund the client credited rate with the spread between the rate earned from investments and the rate credited to clients recorded as earned income. Client liabilities and investment assets generally differ as it relates to basis, repricing or maturity characteristics. Rates credited to clients generally reset at shorter intervals than the yield on underlying investments. This exposure is not currently hedged although we monitor our investment strategy and make modifications based on our changing liabilities and the expected interest rate environment. Of the $36.1 billion in customer deposits as of September 30, 2023, $12.4 billion related to reserves for our fixed rate certificate products.

Stock Market Certificates

Stock market certificates are purchased for amounts generally from $1 thousand to $2 million for terms of 52 weeks, 104 weeks or 156 weeks, which can be extended to a maximum of 15 years depending on the term. For each term the certificate holder can choose to participate 100% in any percentage increase in the S&P 500® Index up to a maximum return or choose partial participation in any increase in the S&P 500® Index plus a fixed rate of interest guaranteed in advance. If partial participation is selected, the total of equity-linked return and guaranteed rate of interest cannot exceed the maximum return. Liabilities for our stock market certificates are included in Customer deposits. As of September 30, 2023, we had $203 million in reserves related to stock market certificates. The equity-linked return to investors creates equity price risk exposure. We seek to minimize this exposure with purchased futures and call spreads that replicate what we must credit to client accounts. This risk continues to be fully hedged. Stock market certificates have some interest rate risk as changes in interest rates affect the fair value of the payout to be made to the certificate holder. This risk is not currently hedged and was immaterial as of September 30, 2023.

Indexed Universal Life

IUL insurance is similar to UL in many regards, although the rate of credited interest above the minimum guarantee for funds allocated to an indexed account is linked to the performance of the specified index for the indexed account (subject to stated account parameters, which include a cap and floor, or a spread and floor). The policyholder may allocate all or a portion of the policy value to a fixed or any available indexed account. As of September 30, 2023, we had $2.6 billion in liabilities related to the indexed accounts of IUL.

Equity Price Risk

The equity-linked return to investors creates equity price risk as the amount credited depends on changes in equity prices. Most of the proceeds received from IUL insurance are invested in fixed income securities. To hedge the equity exposure, a portion of the investment earnings received from the fixed income securities is used to purchase call spreads which generate returns to replicate what we must credit to client accounts.

Interest Rate Risk

As mentioned above, most of the proceeds received from IUL insurance are invested in fixed income securities with the return on those investments intended to fund the purchase of call spreads and options. There are two risks relating to interest rates. First, we have the risk that investment returns are such that we do not have enough investment income to purchase the needed call spreads. Second, in the event the policy is surrendered we pay out a book value surrender amount and there is a risk that we will incur a loss upon having to sell the fixed income securities backing the liability (if interest rates have risen). This risk is not currently hedged.

Foreign Currency Risk

We have foreign currency risk through our net investment in foreign subsidiaries and our operations in foreign countries. We are primarily exposed to changes in British Pounds related to our net investment in Threadneedle, which was approximately $1.3 billion as of September 30, 2023. We also have exposure related to operations in foreign countries to Euros, Indian Rupees and other currencies. We monitor the foreign exchange rates that we have exposure to and enter into foreign currency forward contracts to mitigate risk when economically prudent. As of September 30, 2023, the notional value of outstanding contracts and our remaining foreign currency risk related to operations in foreign countries were not material.

Interest Rate Risk on External Debt

The stated interest rates on our $3.6 billion of senior unsecured notes are fixed.

Credit Risk

We are exposed to credit risk within our investment portfolio, including our loan portfolio, and through our derivative and reinsurance activities. Credit risk relates to the uncertainty of an obligor's continued ability to make timely payments in accordance with the contractual terms of the financial instrument or contract. We consider our total potential credit exposure to each counterparty and its affiliates to ensure compliance with pre-established credit guidelines at the time we enter into a transaction which would potentially increase our credit risk. These guidelines and oversight of credit risk are managed through a comprehensive enterprise risk management program that includes members of senior management.

We manage the risk of credit-related losses in the event of nonperformance by counterparties by applying disciplined fundamental credit analysis and underwriting standards, prudently limiting exposures to lower-quality, higher-yielding investments, and diversifying exposures by issuer, industry, region and underlying investment type. We remain exposed to occasional adverse cyclical economic downturns during which default rates may be significantly higher than the long-term historical average used in pricing.

We manage our credit risk related to over-the-counter derivatives by entering into transactions with creditworthy counterparties, maintaining collateral arrangements and through the use of master netting arrangements that provide for a single net payment to be made by one counterparty to another at each due date and upon termination. Generally, our current credit exposure on over-the-counter derivative contracts is limited to a derivative counterparty's net positive fair value of derivative contracts after taking into consideration the existence of netting arrangements and any collateral received. This exposure is monitored and managed to an acceptable threshold level.

The counterparty risk for centrally cleared over-the-counter derivatives is transferred to a central clearing party through contract novation. The central clearing party requires both daily settlement of mark-to-market and initial margin. Because the central clearing party monitors open positions and adjusts collateral requirements daily, we have minimal credit exposure from such derivative instruments.

Exchange-traded derivatives are effected through regulated exchanges that require contract standardization and initial margin to transact through the exchange. Because exchange-traded futures are marked to market and generally cash settled on a daily basis, we have minimal exposure to credit-related losses in the event of nonperformance by counterparties to such derivative instruments. Other exchange-traded derivatives would be exposed to nonperformance by counterparties for amounts in excess of initial margin requirements only if the exchange is unable to fulfill the contract.

We manage our credit risk related to reinsurance treaties by evaluating the financial condition of reinsurance counterparties prior to entering into new reinsurance treaties. In addition, we regularly evaluate their financial strength during the terms of the treaties. As of September 30, 2023, our largest reinsurance credit risks are related to coinsurance treaties with Global Atlantic Financial Group's subsidiary Commonwealth Annuity and Life Insurance Company and with life insurance subsidiaries of Genworth Financial, Inc.

ITEM 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

We maintain disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) designed to provide reasonable assurance that the information required to be reported in the Exchange Act filings is recorded, processed, summarized and reported within the time periods specified in and pursuant to SEC U.S. Securities and Exchange Commission ("SEC") regulations, including controls and procedures designed to ensure that this information is accumulated and communicated to our management, including our Chief Executive Officer principal executive officer and Chief Financial Officer, principal financial officer, as appropriate, to allow timely decisions regarding the required disclosure. It should be noted that, because of inherent limitations, our company's disclosure controls and procedures, however well designed and operated, can provide only reasonable, and not absolute, assurance that the objectives of the disclosure controls and procedures are met.

[Index](#)

Our management, under the supervision and with the participation of our Chief Executive Officer principal executive officer and Chief Financial Officer, principal financial officer, evaluated the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report. Based upon that evaluation, our company's Chief Executive Officer principal executive officer and Chief Financial Officer principal financial officer have concluded that our disclosure controls and procedures were effective at a reasonable level of assurance as of September 30, 2023 March 31, 2024.

Changes in Internal Control over Financial Reporting

There have not been any changes to our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the first fiscal quarter of the year to which this report relates that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The information set forth in Note 18 17 to the Consolidated Financial Statements in Part I, Item 1 is incorporated herein by reference.

ITEM 1A. RISK FACTORS

There have been no material changes in the risk factors provided in Part I, Item 1A of our 2022 2023 10-K.

[Index](#)

AMERIPRISE FINANCIAL, INC.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES, USE OF PROCEEDS, AND ISSUER PURCHASES OF EQUITY SECURITIES

The following table presents the information with respect to purchases made by or on behalf of Ameriprise Financial, Inc. or any "affiliated purchaser" (as defined in Rule 10b-18(a)(3) under the Securities Exchange Act of 1934), of our common stock during the third first quarter of 2023: 2024:

Period	Period	(a)	(b)	(c)	(d)	Period	(a)	(b)	(c)	(d)

		Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as part of Publicly Announced Plans or Programs (1)	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (1)		Total Number of Shares Purchased		Average Price Paid Per Share	Total Number of Shares Purchased as part of Publicly Announced Plans or Programs (1)	Approxim Dollar Val of Share that May Y Be Purchase Under th Plans o Programs
July 1 to July 31, 2023											
January 1 to January 31, 2024											
Share repurchase program (1)											
Share repurchase program (1)											
Share repurchase program (1)	Share repurchase program (1)	261,064	$347.15	261,064	$3,993,247,664						
Employee transactions (2)	Employee transactions (2)	65,652	$345.89	N/A	N/A	Employee transactions (2)	245,607	$	$386.65	N/A	N/A
August 1 to August 31, 2023											
February 1 to February 28, 2024											
February 1 to February 28, 2024											
February 1 to February 28, 2024											
Share repurchase program (1)											
Share repurchase program (1)											
Share repurchase program (1)	Share repurchase program (1)	608,198	$343.62	608,198	$3,784,261,622						
Employee transactions (2)	Employee transactions (2)	61,644	$351.74	N/A	N/A	Employee transactions (2)	203,618	$	$395.37	N/A	N/A
September 1 to September 30, 2023											
March 1 to March 31, 2024											
March 1 to March 31, 2024											
March 1 to March 31, 2024											
Share repurchase program (1)											
Share repurchase program (1)											
Share repurchase program (1)	Share repurchase program (1)	641,884	$344.47	641,884	$3,563,149,952						
Employee transactions (2)	Employee transactions (2)	6,648	$338.77	N/A	N/A	Employee transactions (2)	53,014	$	$423.99	N/A	N/A

Totals	Totals									
Totals										
Totals										
Share repurchase program (1)										
Share repurchase program (1)										
Share repurchase program (1)	Share repurchase program (1)	1,511,146	$344.59	1,511,146		1,237,124	$	$409.96	1,237,124	1,237,124
Employee transactions (2)	Employee transactions (2)	133,944	$348.23	N/A	Employee transactions (2)	502,239	$	$394.13	N/A	N/A
		1,645,090		1,511,146		1,739,363				1,237,124

N/A Not applicable.

(1) In January 2022, our Board of Directors authorized an expenditure of up to $3.0 billion for the repurchase of our common stock through March 31, 2024. On July 24, 2023, our Board of Directors authorized an additional $3.5 billion for the repurchase of our common stock through September 30, 2025. The share repurchase program does not require the purchase of any minimum number of shares, and depending on market conditions and other factors, these purchases may be commenced or suspended at any time without prior notice. Acquisitions under the share repurchase program may be made in the open market, through privately negotiated transactions or block trades or other means.

(2) Includes restricted shares withheld pursuant to the terms of awards under the Company's share-based compensation plans to offset tax withholding obligations that occur upon vesting and release of restricted shares. The value of the restricted shares withheld is the closing price of common stock of Ameriprise Financial, Inc. on the date the relevant transaction occurs. Also includes shares withheld pursuant to the net settlement of Non-Qualified Stock Option ("NQSO") exercises to offset tax withholding obligations that occur upon exercise and to cover the strike price of the NQSO. The value of the shares withheld pursuant to the net settlement of NQSO exercises is the closing price of common stock of Ameriprise Financial, Inc. on the day prior to the date the relevant transaction occurs.

Index

ITEM 5. OTHER INFORMATION

During the three months ended September 30, 2023 March 31, 2024, no director or officer of the Company adopted, modified or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

Index

AMERIPRISE FINANCIAL, INC.

ITEM 6. EXHIBITS

Pursuant to the rules and regulations of the Securities and Exchange Commission, we have filed certain agreements as exhibits to this Quarterly Report on Form 10-Q. These agreements may contain representations and warranties by the parties. These representations and warranties have been made solely for the benefit of the other party or parties to such agreements and (i) may have been qualified by disclosures made to such other party or parties, (ii) were made only as of the date of such agreements or such other date(s) as may be specified in such agreements and are subject to more recent developments, which may not be fully reflected in our public disclosure, (iii) may reflect the allocation of risk among the parties to such agreements and (iv) may apply materiality standards different from what may be viewed as material to investors. Accordingly, these representations and warranties may not describe our actual state of affairs at the date hereof and should not be relied upon.

The following exhibits are filed as part of this Quarterly Report on Form 10-Q. The exhibit numbers followed by an asterisk (*) indicate exhibits electronically filed herewith. All other exhibit numbers indicate exhibits previously filed and are hereby incorporated herein by reference.

Exhibit	Description
3.1	Amended and Restated Certificate of Incorporation of Ameriprise Financial, Inc. (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K, File No. 1-32525, filed on May 1, 2014).
3.2	Certificate of Amendment to the Amended and Restated Certificate of Incorporation, as amended (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K, File No. 1-32525, filed on April 26, 2024).
3.3	Amended and Restated Bylaws of Ameriprise Financial, Inc. (incorporated by reference to Exhibit 3.2 to the Annual Report on Form 10-K, File No. 1-32525, filed on February 24, 2021 February 22, 2024).
4.1	Form of Specimen Common Stock Certificate (incorporated by reference to Exhibit 4.1 to Amendment No. 3 to Form 10 Registration Statement, File No. 1-32525, filed on August 19, 2005).
	Other instruments defining the rights of holders of long-term debt securities of the registrant are omitted pursuant to Section (b)(4)(iii)(A) of Item 601 of Regulation S-K. The registrant agrees to furnish copies of these instruments to the SEC upon request.
10.1†*	Ameriprise Financial Form of Award Certificate - Restricted Stock Award
10.2†*	Ameriprise Financial Form of Award Certificate - Restricted Stock Unit Award
10.3†*	Ameriprise Financial Form of Award Certificate - Non-Qualified Stock Option Award
31.1*	Certification of James M. Cracchiolo pursuant to Rule 13a-14(a) promulgated under the Securities Exchange Act of 1934, as amended.
31.2*	Certification of Walter S. Berman pursuant to Rule 13a-14(a) promulgated under the Securities Exchange Act of 1934, as amended.
32*	Certification of James M. Cracchiolo and Walter S. Berman pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101	The following materials from Ameriprise Financial, Inc.'s Quarterly Report on Form 10-Q for the period ended September 30, 2023 March 31, 2024 are formatted in iXBRL (Inline eXtensible Business Reporting Language): (i) Consolidated Statements of Operations for the three and nine months ended September 30, 2023 March 31, 2024 and 2022; 2023; (ii) Consolidated Statements of Comprehensive Income for the three and nine months ended September 30, 2023 March 31, 2024 and 2022; 2023; (iii) Consolidated Balance Sheets at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023; (iv) Consolidated Statements of Equity for the three and nine months ended September 30, 2023 March 31, 2024 and 2022; 2023; (v) Consolidated Statements of Cash Flows for the nine three months ended September 30, 2023 March 31, 2024 and 2022; 2023; and (vi) Notes to the Consolidated Financial Statements.
104	The cover page from Ameriprise Financial, Inc.'s Quarterly Report on Form 10-Q for the period ended September 30, 2023 March 31, 2024 is formatted in iXBRL and contained in Exhibit 101.

** Filed electronically herewithin.*

Index

AMERIPRISE FINANCIAL, INC.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

AMERIPRISE FINANCIAL, INC.
(Registrant)

Date: November 2, 2023 May 6, 2024

By: /s/ Walter S. Berman
Walter S. Berman
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

Date: November 2, 2023 May 6, 2024

By: /s/ Dawn M. Brockman
Dawn M. Brockman
Senior Vice President and Controller
(Principal Accounting Officer)

slide1

April 2023 RESTRICTED STOCK AWARD (RSA) CERTIFICATE Congratulations on being the recipient of an Ameriprise Financial Long-Term Incentive Award (your “Award”). This certificate (this “Certificate”) is confirmation of the grant of your Award. The details of your Award, including the Grant Date, Grant Type and the Vesting Schedule are all visible in your Shareworks Portfolio. Your Award is subject to the terms and conditions of the Ameriprise Financial, Inc. 2023 Long-Term Incentive Award Program Guide (the “LTIA Guide”) and the Ameriprise Financial 2005 Incentive Compensation Plan, as amended and restated effective April 26, 2023 (the “Plan”) that are in effect as of the Grant Date. The LTIA Guide is posted on Inside (Inside > My Rewards > Long Term Incentive Award) as well as in the Documents section of Shareworks. All terms and conditions of the Plan and the LTIA Guide, as the same may be amended from time to time, are incorporated into and made part of this Certificate and your Award. By accepting your Award, you agree that you have received a copy of the Plan and the LTIA Guide. If any provision of this Certificate conflicts with the Plan or the LTIA Guide, the terms of the Plan or the LTIA Guide, as applicable, shall govern. All capitalized terms not defined in this Certificate shall have the meanings assigned to them in the Plan. The RSA includes “dividend rights,” which means rights as determined by the Committee to additional payments in the event that the Company declares a dividend. The RSA also includes rights to vote the shares underlying the RSA as a shareholder of the Company, even before the shares become vested under the Vesting Schedule set in Shareworks. Your Award may not be assigned, sold, pledged, hypothecated, transferred or otherwise disposed of in any manner other than as provided in the Plan or the LTIA Guide, subject to rules adopted by the Committee from time to time. The granting of your Award, or any prior or future award, is neither a contract nor a guarantee of continued employment; the continuation of your employment is and always will be at the discretion of the Company. The granting of this Award is a one-time discretionary act and it does not impose any obligation on the Company to offer future awards of any amount or nature. The continuation of the Plan and the grant of future awards is a voluntary act completely within the discretion of the Company, and the Plan is subject to termination at any time. The Company has taken steps to ensure the accuracy of this Certificate; however, the Company reserves the right to issue corrected certificates in the event of a clerical or administrative error. Questions? Please send an email to Ameriprise LTIA Administration (Ameriprise.LTIA.Administration@ampf.com) and include your name and employee ID on all inquiries. Exhibit 10.1

slide1

April 2023 RESTRICTED STOCK AWARD (RSU) CERTIFICATE Congratulations on being the recipient of an Ameriprise Financial Long-Term Incentive Award (your “Award”). This certificate (this “Certificate”) is confirmation of the grant of your Award. The details of your Award, including the Grant Date, Grant Type and the Vesting Schedule are all visible in your Shareworks Portfolio. Your Award is subject to the terms and conditions of the Ameriprise Financial, Inc. 2023 Long-Term Incentive Award Program Guide (the “LTIA Guide”) and the Ameriprise Financial 2005 Incentive Compensation Plan as amended and restated effective April 26, 2023 (the “Plan”) that are in effect as of the Grant Date. The LTIA Guide is posted on Inside (Inside > My Rewards > Long Term Incentive Award) as well as in the Documents section of Shareworks. All terms and conditions of the Plan and the LTIA Guide, as the same may be amended from time to time, are incorporated into and made part of this Certificate and your Award. By accepting your Award, you agree that you have received a copy of the Plan and the LTIA Guide. If any provision of this Certificate conflicts with the Plan or the LTIA Guide, the terms of the Plan or the LTIA Guide, as applicable, shall govern. All capitalized terms not defined in this Certificate shall have the meanings assigned to them in the Plan. The RSU includes “dividend equivalent rights,” which means rights as determined by the Committee to additional payments in the event that the Company declares a dividend. Your Award may not be assigned, sold, pledged, hypothecated, transferred or otherwise disposed of in any manner other than as provided in the Plan or the LTIA Guide, subject to rules adopted by the Committee from time to time. The granting of your Award, or any prior or future award, is neither a contract nor a guarantee of continued employment; the continuation of your employment is and always will be at the discretion of the Company. The granting of this Award is a one-time discretionary act and it does not impose any obligation on the Company to offer future awards of any amount or nature. The continuation of the Plan and the grant of future awards is a voluntary act completely within the discretion of the Company, and the Plan is subject to termination at any time. The Company has taken steps to ensure the accuracy of this Certificate; however, the Company reserves the right to issue corrected certificates in the event of a clerical or administrative error. Questions? Please send an email to Ameriprise LTIA Administration (Ameriprise.LTIA.Administration@ampf.com) and include your name and employee ID on all inquiries. Exhibit 10.2

---

slide1

April 2023 NONQUALIFIED STOCK OPTIONS (NQSO) AWARD CERTIFICATE Congratulations on being the recipient of an Ameriprise Financial Long-Term Incentive Award (your “Award”). This certificate (this “Certificate”) is confirmation of the grant of your Award. The details of your Award, including the Grant Date, Grant Type and the Vesting Schedule are all visible in your Shareworks Portfolio. Your Award is subject to the terms and conditions of the Ameriprise Financial, Inc. 2023 Long-Term Incentive Award Program Guide (the “LTIA Guide”) and the Ameriprise Financial 2005 Incentive Compensation Plan as amended and restated effective April 26, 2023 (the “Plan”) that are in effect as of the Grant Date. The LTIA Guide is posted on Inside (Inside > My Rewards > Long Term Incentive) as well as in the Document section of Shareworks. All terms and conditions of the Plan and the LTIA Guide, as the same may be amended from time to time, are incorporated into and made part of this Certificate and your Award. By accepting your Award, you agree that you have received a copy of the Plan and the LTIA Guide. If any provision of this Certificate conflicts with the Plan or the LTIA Guide, the terms of the Plan or the LTIA Guide, as applicable, shall govern. All capitalized terms not defined in this Certificate shall have the meanings assigned to them in the Plan. Your NQSO Award shall be exercisable only in accordance with the provisions of this Certificate, the Plan and the LTIA Guide and shall have a term of no more than 10 years from the Award Date. Although you are not obligated to exercise the NQSO, you will be solely responsible for any loss if you fail to exercise the NQSO before its expiration date. The NQSO is exercisable only by you and may not be assigned, sold, pledged, hypothecated, transferred or otherwise disposed of in any manner other than as provided in the Plan or the LTIA Guide, subject to rules adopted by the Committee from time to time. The NQSO can be exercised by your beneficiaries after your death. The granting of your Award, or any prior or future award, is neither a contract nor a guarantee of continued employment; the continuation of your employment is and always will be at the discretion of the Company. The granting of this Award is a one-time discretionary act and it does not impose any obligation on the Company to offer future awards of any amount or nature. The continuation of the Plan and the grant of future awards is a voluntary act completely within the discretion of the Company, and the Plan is subject to termination at any time. The Company has taken steps to ensure the accuracy of this Certificate; however, the Company reserves the right to issue corrected certificates in the event of a clerical or administrative error. Questions? Please send an email to Ameriprise LTIA Administration (Ameriprise.LTIA.Administration@ampf.com) and include your name and employee ID on all inquiries. Exhibit 10.3

Exhibit 31.1

AMERIPRISE FINANCIAL, INC.

CERTIFICATION

I, James M. Cracchiolo, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Ameriprise Financial, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared; and

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles; and

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 2, 2023 May 6, 2024

By: /s/ James M. Cracchiolo

James M. Cracchiolo
Chief Executive Officer

Exhibit 31.2

AMERIPRISE FINANCIAL, INC.

CERTIFICATION

I, Walter S. Berman, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Ameriprise Financial, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared; and

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles; and

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 2, 2023 May 6, 2024

By: /s/ Walter S. Berman

Walter S. Berman
Chief Financial Officer

Exhibit 32

AMERIPRISE FINANCIAL, INC.

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Ameriprise Financial, Inc. (the "Company") for the quarterly period ended September 30, 2023 March 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), James M. Cracchiolo, as Chief Executive Officer of the Company, and Walter S. Berman as Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 2, 2023 May 6, 2024

By: /s/ James M. Cracchiolo

James M. Cracchiolo
Chief Executive Officer

Date: November 2, 2023 May 6, 2024

By: /s/ Walter S. Berman

Walter S. Berman
Chief Financial Officer

DISCLAIMER

THE INFORMATION CONTAINED IN THE REFINITIV CORPORATE DISCLOSURES DELTA REPORT™ IS A COMPARISON OF TWO FINANCIALS PERIODIC REPORTS. THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR INACCURACIES IN THE REPORT INCLUDING THE TEXT AND THE COMPARISON DATA AND TABLES. IN NO WAY DOES REFINITIV OR THE APPLICABLE COMPANY ASSUME ANY RESPONSIBILITY FOR ANY INVESTMENT OR OTHER DECISIONS MADE BASED UPON THE INFORMATION PROVIDED IN THIS REPORT. USERS ARE ADVISED TO REVIEW THE APPLICABLE COMPANY'S ACTUAL SEC FILINGS BEFORE MAKING ANY INVESTMENT OR OTHER DECISIONS.