



RECOGNIZING RESPONSIBILITY

AMERICAN EXPRESS COMPANY
2007/2008 CORPORATE CITIZENSHIP REPORT

COMPANY VISION

To become the World's Most Respected Service Brand.

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CORPORATE CITIZENSHIP

Milestones



AMERICAN EXPRESS OFFICE AT 302 CANAL STREET,
NEW YORK CITY, 1885.



[1875]

First private company to offer its employees a pension plan.

[1914]

One of the only financial institutions to remain open for business in Europe at the outbreak of World War I, helping Americans stranded abroad.

[1933]

Becomes de facto banker for the American people when its doors remain open as more than 4,000 U.S. banks closed after President Roosevelt declared a bank holiday in March.

[1954]

Creates the American Express Foundation for charitable giving.

[1959]

Introduces first-ever plastic charge card, making cards less vulnerable to fraud and improving processing.



LOWER MANHATTAN, HOME TO AMERICAN EXPRESS SINCE 1850.



WORLD MONUMENTS FUND RESTORATION IN MEXICO, PART OF LONG-TERM HISTORIC PRESERVATION EFFORT BEGUN IN 1995.

[1965]

[1970s]

[1990]

[2001]

[2007]

First company to limit cardmember liability against fraudulent use.

Publishes Privacy Code of Conduct for employees, with strict guidelines for safeguarding the collection, storage and distribution of personal information about customers and employees.

Introduces Blue Box Corporate Values.

Pledges commitment to help revitalize Lower Manhattan.

Adds focus on Developing New Leaders for Tomorrow to philanthropic efforts.

American Express will continue to adapt and transform while remaining true to the values that have guided us for nearly 160 years.



OUR RESPONSIBILITY

How do corporations contribute to the communities where they do business? A traditional view is that they promote well-being simply by running their businesses successfully — thereby creating jobs and generating wealth. This is an important function in any economy. For American Express, good citizenship has always meant much more than this. From our earliest days shipping freight across the United States through our evolution into a global service company, we have contributed not only to the economy, but also to broader society. We work hard to deliver strong returns for our shareholders, but also believe we must serve a larger and broader group of stakeholders. Simply put, for American Express, success depends on how well we recognize and carry out all of these responsibilities — to shareholders, customers, employees, and the world around us.

Responsibility to shareholders. American Express is committed to delivering superior returns for shareholders. But how we generate financial results is just as important as making the numbers. We manage our business for growth over the moderate to long term, and we are committed to meeting the highest ethical standards in the governance of our company. We will not risk compromising our integrity.

Responsibility to customers. Our business is built on trust and reliability. When American Express was formed in 1850, transporting personal goods and valuables was an uncertain proposition at best. Yet we guaranteed that a package would be delivered intact. If not, we reimbursed the sender in full. We stood behind our promises even if we could not control every circumstance. And because we did, we earned a reputation for delivering world-class service. Throughout our history, American Express has been defined by the extraordinary care we take to serve our customers, wherever and whenever they need us.

Responsibility to employees. Our founders knew that loyal customers go hand-in-hand with a productive and satisfied workforce. Today, our focus on attracting talented people of all backgrounds and keeping them engaged throughout their careers is one of the many reasons American Express is consistently recognized around the world as one of the best places to work.

Responsibility to the world around us. We strive to be good citizens and neighbors wherever we do business. We help strengthen our communities by funding philanthropic efforts such as cultural heritage and historic preservation, as well as actively encouraging community service and volunteerism. We are also dedicated to protecting the environment by helping to conserve natural resources, reducing carbon emissions and building a focus on sustainability into our everyday operations.

We are proud of our history of good citizenship, but there is always more to accomplish. As the world evolves, American Express will continue to adapt and transform while remaining true to the values that have guided us for nearly 160 years.

That we care about achieving results the right way doesn't make us unique among corporations. However, as consumers around the world express a growing interest in the impact of commerce on society, we believe the time is right to provide a report on how American Express views social responsibility.



Kenneth I. Chenault, *Chairman and Chief Executive Officer*

American Express is dedicated to achieving outstanding business results the right way, with a commitment to integrity and service.

AMERICAN EXPRESS TOWER

RECOGNIZING RESPONSIBILITY

To Our Shareholders

[NEW YORK CITY]

The American Express story parallels the growth of the modern economy – from the days of the horse and buggy to the age of the Internet. It is a story rich in a tradition of personalized service that has earned us a loyal following and made our brand one of the most respected in the world.

In 1850, three men — Henry Wells, William Fargo and John Butterfield — founded an express company in Buffalo, New York to forward freight and valuables across the United States. Over the next century and a half, as times changed and customers’ needs changed, American Express changed along with them.

By the late 1800s, American Express had evolved from a successful express delivery business into a company that created and sold money orders and travelers cheques. In doing so, the American Express brand became increasingly visible throughout Europe. In 1895, the Company established its first overseas office in Paris, France.

The beginning of the 20th century marked another dramatic transformation when American Express entered the travel business in 1915. Within a decade, the Company was conducting tours to Europe, South America, the Far

East, the West Indies and other destinations around the globe. During the Second World War, American Express solidified its reputation as a reliable company during times of crisis by assisting customers across the region with visas, travel arrangements and financial needs. In 1958, with the creation of the American Express® Card, the Company embarked upon what would ultimately prove to be its most successful business to date.

In the 1980s, American Express went through tremendous changes, acquiring several large businesses and selling others. It overcame numerous threats to its business from increased competition and continued to expand its range of products and services to an ever-increasing client base. Later, as the devastating events of September 11, 2001 affected people and communities around the world, the Company once again stood behind its customers and business partners to meet their needs. American Express’



Left: Travel Brochure (1926-1927)

Center: Travel Brochure (1930)

Right: Card Advertisement (1963)

ability to change and grow has sustained the Company throughout its first 157 years. Our history of transformation has enabled us to meet and exceed customers' changing needs and expectations and to deliver innovative, top-quality products. But while our business has changed with the times, we have remained true to very important values. Trust, integrity, security, quality and superior customer service represent the essence of our brand.

OUR BUSINESS TODAY

Global Payments

American Express is the largest global card issuer by spend volume. One of the keys to our success has been offering cardmembers a choice of products designed to meet their spending needs and customizing products to specific customer groups. We offer card products designed for small business owners, frequent travelers, large companies and those who want cash back or to donate to charity.

In addition to the many cards we issue ourselves, we partner with more than 100 banks and other institutions in 120 countries to issue cards accepted on the American Express network. This business has grown steadily over the past few years and allows us to enter new markets and expand our presence in others quickly and efficiently.

At year-end 2006, American Express had 78 million cards-in-force (including cards issued by partners), issued in more than 40 currencies, with a total billed business of \$561.5 billion.

Merchants accept American Express Cards in more than 200 countries and territories worldwide. We provide service to and work with

merchants to create targeted cardmember offers that increase loyalty to both American Express and our merchant partners. These relationships with merchants represent an important competitive difference between American Express and others in the industry.

For our corporate clients, we provide targeted savings programs and global expense management tools. As a leading provider of small-business cards and payment vehicles, we offer cards with a variety of payment terms, access to small business credit lines and loans and savings on business products and services.

At the end of 2006, American Express had
78 million cards-in-force with
total billed business of
\$561.5 billion

We also offer substantial resources, information and support for small business owners around the world. In Germany, the Company supports the bundesweite gründerinnenagentur (National Agency for women start-ups and entrepreneurs) which partners entrepreneurs or successful businesspeople with women who have ideas for small businesses but are unemployed, on welfare or entering the workforce for the first time. In Australia, we helped launch a micro-finance program to assist women in Sydney, Melbourne and Brisbane with loans to get their businesses off the ground. The American Express-Endeavor Argentina Leadership Development Program supports

[HELPING SMALL BUSINESSES GROW]

Melinda Earl has taken her passion for printmaking and transformed it into a successful tile business. She is the owner of StoneImpressions, a San Diego, California-based manufacturing company that makes natural stone products that can be customized with any image for customers. Melinda started her business out of her garage five years ago, doing everything from accounts payable to design work. Today, she employs 11 people and runs the company out of a 12,000 square foot building that houses offices, production space and an art studio. The company netted over \$1 million in sales last year.

“I love being an entrepreneur and I’ve always worked for myself as an artist. StoneImpressions was really a natural outgrowth of my passion and who I am,” she explains.

Besides having artistic talent and an entrepreneurial spirit, Melinda also got some help from American Express. She is an OPEN from American Express® Cardmember and a winner of the Make Mine a Million \$ Business™ program that helps women entrepreneurs grow their businesses. The program identifies high-potential women entrepreneurs to receive mentoring, marketing, money and technology resources to reach their goals of owning successful businesses. It began in 2005 as part of a program founded by OPEN from American Express (the Company’s U.S. small business team) and Count-Me-In for Women’s Economic Independence, a not-for-profit organization committed to providing online business loans and resources for women to build their businesses.

“A lot of big companies don’t even want to talk to small business owners like me. I feel like American Express has really been there, and understands my needs.”

As of September 2007, American Express has helped 102 women who own businesses across the United States through the Make Mine a Million \$ Business program.



[Melinda Earl, founder of StoneImpressions, in her art studio]

entrepreneurs who have the potential to become high-impact entrepreneurs and community leaders. Work with not-for-profit organization Aid to Artisans is helping fund programs in India that sustain livelihoods by providing grants as well as business training, market access, technical assistance and distribution of information to Indian artisans. Through affiliations with leading U.S. organizations such as the National Association of Women Business Owners and Count-Me-In for Women's Economic Independence, resources are provided to help women grow their businesses.

Consistently ranked
as one of
Fortune's Most
Admired Companies

Consumer & Business Travel

American Express entered the travel agency business in 1915 and today is one of the world's largest travel agency networks. We have more than 2,200 travel agency and Foreign Exchange Services locations in more than 140 countries. We processed \$21.8 billion in global travel sales in 2006. With call-in, walk-in and online servicing, we help customers plan and track trips, manage and optimize their spending and receive assistance with their travel needs. A hallmark of our travel service is coming through in times of crisis — whether during a natural

disaster, times of war or unrest or when a traveler experiences a personal emergency.

We help small businesses, medium-sized enterprises and multinational corporations to negotiate the best deals with their suppliers. We also provide travel management consulting expertise, booking technology and service worldwide. A combination of online tools and personal consultations helps clients save money and manage their travel costs, often one of their largest expenses. American Express is also building capabilities for advising clients regarding the environmental impacts of their travel.

Prepaid Services

Accepted worldwide for more than a century, American Express Travelers Cheques® are available in eight currencies, and serve as a safe and convenient alternative to cash. In addition, American Express offers a variety of reloadable and non-reloadable prepaid cards.

Publishing

Through American Express Publishing, we publish luxury lifestyle magazines such as *Travel + Leisure*®, *Food & Wine*® and *Departures*® as well as other travel and business resources.

International Banking

American Express Bank (AEB) was established in 1919 to conduct foreign exchange transactions. Today, AEB concentrates on wealth management and lending for affluent individuals in many parts of the world. AEB also provides correspondent banking for other financial institutions. (Note, the Company announced the sale of AEB in September 2007, and expects the transaction to close in the first quarter of 2008.)

HOW WE OPERATE

OUR BRAND & CORPORATE VALUES

A key asset of our Company is the American Express brand and its promise of world-class service and personal recognition. Our reputation in the marketplace affects our business, and we constantly work to further strengthen our brand. This starts with our employees around the world and the service we provide customers across our businesses, and it is reinforced by our policies and commitment to corporate responsibility.

The guiding principles of our business are embodied in the “Blue Box” Corporate Values, introduced in 1990. All employees are expected to reflect these values in the way they conduct business. As we evolve our business and seize the new opportunities presented by globalization and technology, we do so with a commitment to these values.

CORPORATE GOVERNANCE

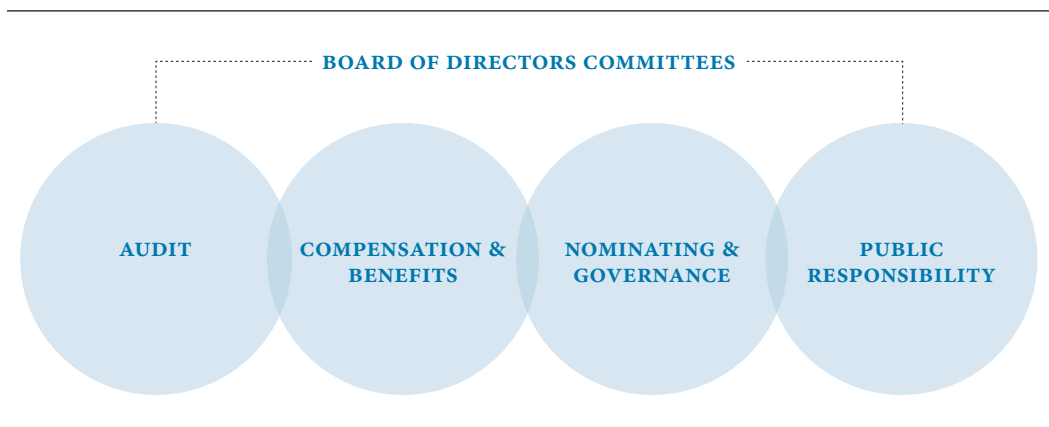
Board Structure, Committees and Policies

Throughout the Company’s history, American Express has emphasized integrity and trust at all levels of the organization, including a

commitment to upholding sound principles of corporate governance.

In 2003, the Board of Directors updated the Company’s Corporate Governance Principles. Along with the charters of the Board Committees and the Company’s Code of Conduct for employees, these Principles provide the framework for the governance of the Company. In 2003, we also appointed a Corporate Governance Officer, with responsibility for working with the Board of Directors to develop and implement good governance practices.

Our Corporate Governance Principles were updated in 2007 and address matters such as the composition and size of the Board, director qualifications, independence of directors, director responsibilities, frequency of Board meetings (including meetings to be held without the presence of management) and the Board’s access to members of management and outside experts. The Principles also detail share ownership guidelines for directors and ways for shareholders or others to communicate with the Board.



[OUR REPUTATION] Numerous training programs help educate employees, like this group in Argentina, about the Code of Conduct, Company values and the role each person plays in the Company's success.



The Board has four standing committees:

- The Audit Committee comprises solely independent non-employee directors and assists the Board in its oversight of the Company's financial reporting process, including our system of internal controls.
- The Compensation and Benefits Committee comprises solely independent non-employee directors and has oversight responsibility for the compensation and benefit programs for executive officers and other employees.
- The Nominating and Governance Committee comprises solely independent non-employee directors and considers and recommends candidates for election to the Board, advises the Board on director compensation, oversees the annual performance

evaluations of the Board and Board Committees and advises the Board on corporate governance matters.

- The Public Responsibility Committee reviews practices that affect the communities in which we work and the public interest in general, and includes oversight responsibilities for public or social issues that affect the Company's shareholders, employees and customers. Our Public Responsibility Reports published in the 1980s and 1990s laid the foundation for this report, our first global Corporate Citizenship Report.

EMPLOYEE CODE OF CONDUCT

We introduced our first formal Code of Conduct for employees in 1975 and regularly update the Code to ensure that it reflects

[OUR CORPORATE VALUES]

CUSTOMER COMMITMENT

We develop relationships that make a positive difference in our customers' lives.

QUALITY

We provide outstanding products and unsurpassed service that, together, deliver premium value to our customers.

INTEGRITY

We uphold the highest standards of integrity in all of our actions.

TEAMWORK

We work together, across boundaries, to meet the needs of our customers and to help the company win.

RESPECT FOR PEOPLE

We value our people, encourage their development and reward their performance.

GOOD CITIZENSHIP

We are good citizens in the communities in which we live and work.

A WILL TO WIN

We exhibit a strong will to win in the marketplace and in every aspect of our business.

PERSONAL ACCOUNTABILITY

We are personally accountable for delivering on our commitments.

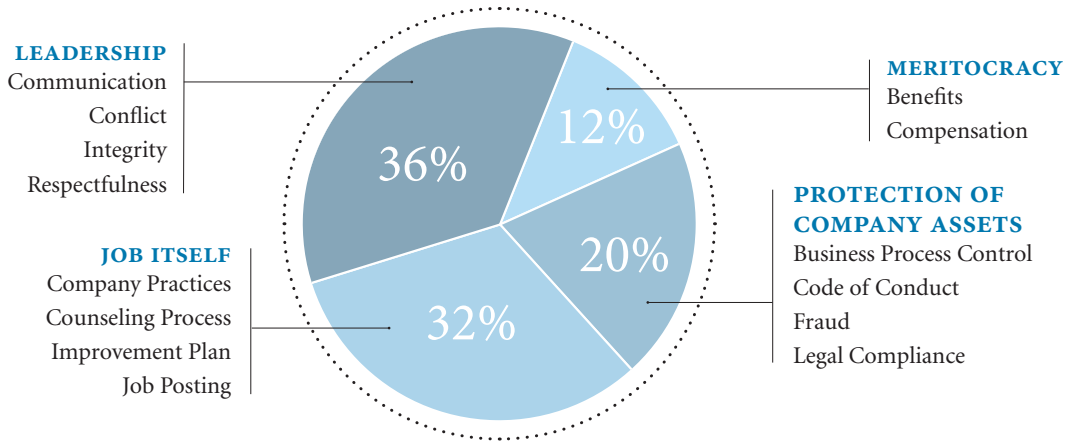
current issues and regulations. In 2007, we updated the Code to reflect increased globalization and how the evolving use of technology — by employees and customers — affects everything from gift-giving to travel expenses and relationships with public officials. Individual business units occasionally issue additional policies that provide guidance specific to practices in those businesses. These include written supervisory policies applicable to bank subsidiaries, and guidelines that deal with anti-money laundering, doing business with governments and protecting customer privacy.

Adherence to our Code of Conduct is a condition of employment at American Express. Each employee must review and sign a copy of the Code upon joining the Company and confirm again every other year. A Code of Conduct training program helps employees understand how to apply the guidelines in their day-to-day actions. Our goal is to obtain employees' commitment — and develop their ability — to make sound ethical judgments. Leaders are expected to communicate the seriousness of the Company's expectations for ethical conduct and their own personal support of these expectations. We foster a work environment that encourages employees to voice their concerns to their leaders and we support those who speak out.

BOARD OF DIRECTORS CODE OF CONDUCT

We also have a separate Code of Conduct for members of the Board of Directors. This focuses on potential conflicts of interest, provides guidance relating to the recognition and handling of ethical issues, offers mechanisms to report potential conflicts or unethical conduct and helps foster a culture of openness and accountability.

INQUIRIES TO THE OMBUDSPERSON



2006 Report

Since no policy can anticipate every circumstance, our Code of Conduct also encourages Directors to bring questions about particular situations to the attention of the Chairman of the Nominating and Governance Committee, who may consult with the Secretary, the General Counsel or outside legal counsel as appropriate.

OFFICE OF THE OMBUDSPERSON

In 1994, we created the Office of the Ombudsman, a designated neutral resource, providing confidential and informal assistance to help employees, contractors and vendors address work-related issues. The office is not an advocate for either employees or the Company.

The Corporate Ombudsman reports directly to the CEO and has access to the Audit Committee of the Board of Directors. The office periodically reports trends to American Express senior leaders, helping identify workplace trends, opportunities for systemic improvement and providing input for business decisions.

- In 2006, approximately 1,300 individuals contacted the office and received coaching, information, options for addressing situations, referrals and follow-up to help them resolve issues effectively.

PUBLIC POLICY

We are committed to communicating clearly and often with public policymakers. Our U.S. federal and state government affairs offices represent the Company on important policy issues before Congress, the Administration and state governments across the United States. These employees also work with consumer leaders, regulatory agencies and trade associations to advance the Company’s business priorities in ways that are consistent with sound public policy. We also work around the world with governing and regulatory bodies in our key regions.

American Express
set a new standard
*in 1974 by sending
cardmembers an
annual privacy notice*

REGULATORY ENVIRONMENT

The global payments industry is subject to extensive regulation covering many aspects of the business, including the collection and use of customer information, standards for marketing and disclosure in credit card terms and conditions, debt collection practices, anti-money laundering and anti-terrorism practices.

For example, in the United States, American Express is subject to a number of federal laws and regulations, including:

- Equal Credit Opportunity Act
- Fair Credit Reporting Act/Fair and Accurate Credit Transactions Act
- Fair Credit Billing Act
- Electronic Funds Transfer Act
- Patriot Act
- Truth in Lending Act

In many markets where we operate, the regulatory environment includes extensive consumer credit protection, disclosure and data privacy rules from numerous governing bodies.

POLITICAL ACTION COMMITTEE

Established more than 25 years ago, the American Express Political Action Committee (AXP PAC) is a political fund supported solely by the voluntary contributions of American Express employees. The AXP PAC enables employees to become involved in the political process and support those candidates and political committees, as permitted by law, who share the Company's perspective on important public policy issues. All contributions to the PAC are completely voluntary, and employees can choose not to contribute without any fear of reprisal.

In the 2005-2006 election cycle, the AXP PAC contributed a total of \$445,774 to federal and state political candidates, parties or committees. A report of these contributions is available upon request to the Corporate Secretary's Office. The Public Responsibility Committee of the Board has oversight responsibility for the Company's political contribution activity.

OUR SUPPLY CHAIN

We purchase goods and services from thousands of providers around the world.

The team that manages this process has established a set of criteria that shapes the choice of vendors who supply American Express. These include:

- Capabilities
- Compliance with all legal and regulatory requirements
- Financial solvency
- Financial proposal

- Management quality
- Responsiveness
- Safety standards
- Service quality
- Track record

We are also beginning to review the environmental practices of key suppliers in relevant commodity areas to include commitments for environmental sensitivity in our contracts.

SUPPLIER DIVERSITY

American Express is committed to purchasing from diverse businesses, and we actively look to build relationships with small businesses and firms owned and operated by minorities, women, veterans and people with disabilities. In addition, suppliers who do business with American Express are expected to demonstrate their own commitment to diversity. We also offer opportunities to major suppliers who utilize second-tier diverse suppliers. A centralized electronic sourcing program ensures that diverse suppliers are participating in requests for proposals for new work.

Our participation in industry associations, trade shows, forums and workshops helps us continuously expand our outreach to diverse suppliers as we work to match the capabilities of minority suppliers with our business needs.

STAKEHOLDERS

We meet regularly with many stakeholder groups to share perspectives and gain insight about their constituents' needs. We are constantly assessing our stakeholder community

and seeking to develop partnerships that help us to deliver on our business strategy in responsible ways. We view our stakeholders as including the following:

- Shareholders
- Customers
- Employees
- Merchants
- Business partners
- Governments
- Regulatory agencies
- Consumer advocacy organizations
- Investment organizations
- Non-governmental and not-for-profit organizations

Recognized with
*32 workplace
and 22 corporate awards*
in 14 countries in 2007

*Taking care of the customer
always comes first.*

RECOGNIZING RESPONSIBILITY

To Our Customers

[DIANA GAMBOA, CUSTOMER SERVICE REPRESENTATIVE,
MEXICO CITY.]

Service is at the core of what we do. American Express provides quality products and services based on responsible business practices. While the products themselves vary, core elements include 24/7 customer service, innovative benefits, ease of use, access to our global travel network and special offers from our merchant partners.

PROVIDING CHOICE AND CLARITY

American Express strives to be the payment network and card of choice for high-spending customers. Our key objective is to drive spending on our cards. While most issuers derive the majority of their revenue from interest and finance charges, American Express operates a fundamentally different business model in which customer spending on our network helps drive the largest source of our revenue.

We believe in clarity and choice. American Express strives to clearly and fully disclose all applicable terms and conditions to our customers, and we have a number of initiatives underway to help them better understand the key terms and conditions of their accounts, including our “10 Tips for Using Your American Express Card Wisely” and the OPEN Guide to Credit for Small Businesses. Initiatives such as these, and the numerous consumer literacy programs we support around the world, enable consumers to make informed decisions about the use of credit.

We are also working to provide innovative products and services for individuals who want more control over their terms and conditions or spending. Examples include: Clear from American Express®, a card issued in the United States which has no fees of any kind, One from American Express®, which enables cardmembers to carry a balance on specific purchases without paying interest on new ones and our pay-in-full charge cards.

HOW WE SERVE CUSTOMERS

Our global service network serves customers through a mix of our own facilities and those of carefully selected outsourced partners. This global reach is especially important in times of crisis when we are able to reroute customer service volume from one geographic region to another without impact to our customers.

No matter where we do business, or whether a team member is an American Express employee or partner, we maintain high standards for training, service, quality, security and workplace safety.

[COMING TO A CUSTOMER'S AID]

Rosemary Mullins, a Senior Corporate Consultant in Global Business Travel, based in Sydney Australia was one of the 28 recipients of the 2007 American Express Customer Service Awards. This prestigious award program recognizes individual, front-line employees who go to great lengths to provide extraordinary service to customers. Rosemary and the other 2007 award recipients were chosen from more than 600 nominations.

When an Australian customer was rushed to a hospital in Paris with a ruptured appendix, Rosemary Mullins, a Senior Consultant in Global Business Travel, came to his aid. At the customer's request, Rosemary cancelled the remainder of his hotel stay without penalty — quite an accomplishment during peak season. She also arranged for the belongings he left in his room to be packed up and given to a friend, and changed the rest of his travel plans.

Later, when the customer's wife decided to come to Paris, Rosemary secured a first-class seat on the only available flight that day and a hotel room in Paris for her — again a difficult task as most hotels were fully booked, and the length of her stay was uncertain.

After the customer was released from the hospital, Rosemary helped him to join his wife to recuperate before traveling home to Australia. Once the customer was allowed to travel, Rosemary made all necessary travel arrangements, including two first-class seats from Paris to Sydney, for a safe journey home.



[Rosemary Mullins]

USING THE ONLINE CHANNEL

In recent years, we have significantly increased the capabilities of our Web site for reaching new customers, servicing, travel management and more. Now, in markets around the world, we offer online tools that allow customers to apply for a card, check and pay bills, redeem rewards points, take advantage of special merchant offers, book travel and receive detailed spending reports, all in a paperless environment.

Since we began offering these services, we have developed online policies and enhanced security measures to protect our customers when using our Web services.

Millions of
cardmembers
*log in to manage their
accounts each month*

Supplying or accessing personal or confidential information on the American Express Web site is done securely, and the security of our firewalls and applications are thoroughly reviewed by security specialists. In addition, we provide extensive consumer education information at www.americanexpress.com about using the Internet safely, as well as tools for merchants to help protect their customers and businesses from fraud.

We are accessible to our customers how and when they want. Many of the capabilities we provide online deliver greater speed and

efficiency for our customers and enable us to reduce significantly the amount of paper we use to run our business. Details about initiatives to save paper are found in the section about our commitment to the environment.

LINKING CARDMEMBER SPENDING TO WORTHY CAUSES

American Express is credited as the first company to launch a cause-related marketing campaign — a 1983 program that raised money to restore the Statue of Liberty. Since then, the Company has continued to roll out successful initiatives around the world to support causes and communities where we do business and where our employees live and work.

We have donated millions of dollars to causes that are important to cardmembers, merchant partners and the general public. This support ranges from fighting hunger, to supporting children, to preserving historic sites around the world. While the campaigns vary — in their beneficiaries, location and length — they often include a donation linked to cardmember spending.

In addition, we are a Founding Partner of (PRODUCT)RED™, the initiative created to engage the private sector in raising awareness and funds for the Global Fund, to help fight AIDS in Africa. For the campaign, we created American Express RED, a credit card available in the United Kingdom. The card contributes 1% of total spend to the Global Fund, helping finance programs for African women and children affected by HIV and AIDS. In the 18 months since its launch in March 2006, (RED) Partners have contributed \$45 million to the Global Fund. For more information visit www.AmericanExpressRED.com; www.JOINRED.COM.

CONSUMER EDUCATION AND FINANCIAL LITERACY

American Express' commitment to increasing the financial literacy of consumers is long standing. For more than 30 years, we have created financial literacy programs in partnership with some of the world's most respected consumer advocacy organizations. These programs have addressed the financial needs of young people, first-time credit users and experienced credit users who want to improve their financial management skills.

penalty rates. The information is available at no cost to consumers at americanexpress.com, and Consumer Action is making the curriculum available to thousands of community organizations in five languages (Chinese, English, Korean, Spanish and Vietnamese).

My Money Business Program

Upper-secondary school students in Hong Kong received in-depth financial literacy training from a team of local American Express employees during this multi-week program covering a series of practical financial topics.

Educational materials about credit and financial responsibility are distributed to thousands of consumers around the world.



Representative examples:

“Credit Card Responsibility & You”

We launched this responsible credit program in Singapore in 2006 in collaboration with Consumers Association of Singapore (CASE). Educational booklets explaining the proper use of credit cards are available to organizations and individuals at no cost. American Express received the inaugural Friend of CASE Award for its contribution to helping educate consumers about the proper use of credit cards.

“Credit Cards: What You Need to Know” and “Families and Credit Cards”

Launched in 2005, this U.S. financial education program teaches the ins-and-outs of responsible credit card use, how to understand terms and conditions and how to avoid late fees and

PROTECTING TRAVELERS AND PROMOTING RESPONSIBLE TOURISM

American Express' commitment to assisting travel customers impacted by natural disasters or other crises has been demonstrated throughout our history. Today, our Customer Crisis Preparedness Programs provide a rapid, appropriate and well-coordinated response. We can also help corporate travel managers and risk and security departments quickly locate their business travelers wherever they are in the world. For example, shortly after the devastating tsunami struck in 2004, we compiled a list of customers believed to be in the affected areas and attempted to contact every one of them. Our customer service representatives called nearly 10,000 cardmembers to check on their safety and to offer support.

[CUSTOMER CARE] *Whether for everyday transactions or in times of crisis, we focus on customer needs.*



They also reached out to hundreds of merchants in the impacted areas.

We are longtime supporters of efforts to encourage a robust travel and tourism industry — the world’s fastest growing employment sector. For example, The Global Travel and Tourism Partnership (GTTP), started in 1986 by the American Express Foundation, is a global coalition of travel and tourism education programs currently serving more than 420,000 secondary school students and young adults around the world, including Brazil, Canada, Hong Kong, Hungary, Ireland, Jamaica, Russia, South Africa and the United Kingdom. The GTTP works together with education authorities, tourism ministries and travel and tourism companies. The goal is to educate students, parents and

teachers about career opportunities at a time when students are making important career choices and to raise awareness of the industry’s economic and cultural impact on their communities. In total, almost 800,000 students are or have been involved in the GTTP’s programs.

The Company is a founding member of the World Travel and Tourism Council (WTTC) and continues to be an active member of the executive committee. Established in 1990, the WTTC is a business leaders forum which aims to raise awareness of the economic and social impact and potential of the travel industry. The fundamental components of WTTC’s mission include: raising awareness of the importance of Travel & Tourism, promoting synergies between the public and private sector, generating profit

as well as protecting the natural, social and cultural environment.

We are also a founding member of the International Tourism Partnership (ITP). This membership organization provides global leaders from the travel and tourism industry with a forum to share knowledge, develop policy and implement programs that have a positive impact on social, economic and environmental issues. The ITP recently released “Green Guidelines” to help hotels consider sustainability and set minimum standards.

DATA SECURITY AND PRIVACY

Trust and security are the hallmarks of the American Express brand and have always been an important element in how we conduct our business. We recognize that our customers depend on us to help protect their privacy and safeguard their personal information. We have been a leader in customer privacy since 1974, when we distributed our first annual privacy notice to cardmembers.

As a founding member of the Payment Card Industry Security Standards Council (an industry standards body that created a set of data security standards recognized across the industry) and through our direct relationships, we work closely with merchants and partners who process card transactions to secure customer data. In 2002, we introduced our Data Security Operating Policy in the United States. It was revised in 2006 to reflect the Payment Card Industry Data Security Standards, a common set of industry tools and measurements for secure storage, processing and transmission of cardmember data. In 2006, we began

introducing these standards around the world. We believe that there is a greater likelihood of achieving acceptance of, and compliance with, a single, common standard in the payment card industry for all aspects of transaction processing. By working with participants across the industry, we hope to increase awareness and adoption of these security standards.

We have a Chief Privacy Officer and a Chief Information Security Officer who provide leadership and governance. We continually strive to evolve our privacy and security programs to combat fraud, address consumer concerns, create awareness among our employees and meet or exceed all applicable laws and regulations. Privacy leaders in each business unit oversee specific policies and controls that relate to their business. These policies, controls and rules for safeguarding information are reinforced through mandatory Privacy and Data Security training for all employees. We also expect our vendors to protect our employees’ and customers’ privacy and require that they adopt our security standards.

In addition, we have invested heavily in technology that allows us to offer cardmembers a range of choices about how and whether we use their information to offer them additional products and services. We customize our communications to reflect these preferences, for example by allowing customers to opt out of receiving offers from us or our partners by mail, phone or the Internet. We continuously evaluate and update these policies and controls based on technological and regulatory developments.

OUR CUSTOMERS

[OUR GLOBAL SCOPE]

24/7 Service *worldwide*

Servicing
for consumers, small businesses
and corporate customers

More than
65,000 employees

Products accepted
in more than
200 countries
and territories

More than
2,200
travel service offices

Card-issuing partnerships
in more than **100 countries**

Data as of year end 2006

FRAUD PREVENTION

Our overall fraud rates are among the lowest in the industry. Even so, we know that a more globally dispersed customer base and multiple parties involved in the processing of transactions add new challenges to our fraud prevention efforts. For example, with increased online financial transactions, there has been a rise in the degree of sophistication by which fraudulent activities such as identity theft are conducted. Data security and fraud prevention are a key focus for the Company. Whether we issue the product or service ourselves, or partner with

their respective business' products and services may be abused and work to develop appropriate controls for each area. Employees across businesses receive training, identify trends and make recommendations to management to continually improve policies and procedures. We also work actively with law enforcement and our merchant partners to reduce the risk of fraud across our business areas.

Fraud prevention tools are available to cardmembers and merchants online



another organization, the service must meet our security standards.

We are committed to having state-of-the-art monitoring tools, controls and policies to detect and prevent fraud, money laundering and terrorist financing in our operations around the world.

- *Infrastructure:* We have sophisticated monitoring systems and controls in place to detect fraudulent activity, and we are constantly evolving these techniques to adapt to the changing activities of criminals. Every American Express Card transaction goes through a fraud screen, and we are often able to detect and prevent fraud even before a transaction is authorized. Our Compliance Officers are familiar with the ways in which
- *Records and transaction monitoring and reporting:* We define and communicate the appropriate record creation and retention standards, monitor transactions to detect unusual or potentially suspicious activity, file reports of suspicious activity with regulators or law enforcement, conduct risk-based audits on a periodic basis and promptly correct any deficiencies.
- *Work with merchant partners:* We work with our merchant partners to prevent and reduce fraud on many fronts, for example by developing and tracking security standards to protect customer data. In addition, we hold fraud prevention seminars, publish training materials and meet one-on-one with our merchants to provide fraud prevention recommendations.

We strive to create an environment where our employees are respected, feel fulfilled professionally and personally and look forward to coming to work.

RECOGNIZING RESPONSIBILITY

To Our Employees



[AT WORK IN THE PARIS OFFICE]

To succeed in today's fast-paced work environment, we must understand the needs and expectations of a diverse, multi-generational and global workforce.

OUR CULTURE, POLICIES AND PRACTICES

The Company depends on engaged and motivated employees who both enable us to generate strong returns for shareholders and share our values and commitment to serving customers.

To attract and retain the highest caliber of employees, we must provide a work environment that not only builds employee engagement with the Company, but also acknowledges the needs and challenges of our employees — whether in the office or out.

LISTENING TO EMPLOYEES

We have formal and informal programs to communicate with employees and to receive feedback about our workplace. Since 1989, an annual worldwide employee survey has measured how satisfied and, more recently, how engaged employees are with the work environment and how well we adhere to Company values. It solicits their views about leadership and performance. Senior leaders review and communicate the results of the survey to employees around the world. Teams from each of the Company's businesses and departments are responsible for further evaluating their results, devising action plans to improve deficien-

cies identified in the survey and finding new, creative ways to engage employees. In 2006, 91 percent of employees provided feedback in response to the survey.

We have numerous programs that allow employees to learn about company activities, communicate with senior leaders and interact with other employees. These include quarterly Town Hall meetings that are broadcast via video conference to locations around the world, senior executive luncheons with employees and networking sessions.

CREATING A MORE FLEXIBLE AND INCLUSIVE WORK ENVIRONMENT

For more than 150 years, the Company has demonstrated an ability to anticipate and respond to emerging trends. In the workplace arena these trends currently point to an increased value placed on more flexible and inclusive work environments.

We have introduced a number of programs and benefits to help employees achieve balance in their work and personal lives. These initiatives will help American Express attract and retain top talent at a time when many employers are competing for the best talent.

[FLEXIBILITY IN PRACTICE]

In 2006, we introduced the Project Resource Team, which is made up of a pool of employees who work as internal consultants. This working team provides flexibility for small groups of employees who need to step back from full-time work for a defined period of time, but do not want to leave the Company. High-performing employees are eligible to apply for the team.

The program's design can accommodate numerous flexible arrangements, including but not limited to:

- An employee with young children looking to arrange the workday so he or she can pick up children from school;
- Someone with an elderly parent living elsewhere who may want to alternate full-time work with time off for an extended family stay;
- An employee who may want to work three days a week — two days virtual with one day in the office — or vary each week.

The program has been launched in three different business groups with employee participants in the United States, Singapore and the United Kingdom. Other groups and locations are currently considering the program.



Examples of current initiatives include:

- **Flexible work models** that allow employees to define where, when and how they work are currently being designed. While still small in scale, they are increasing in popularity.
- **Flexible work arrangements** that include telecommuting programs, flex time, job sharing and compressed work weeks. From *Sunshine Fridays* in Australia and Singapore that discourage meetings after 3 pm on Fridays to flex time programs in Argentina, Canada, Hong Kong and the United States, employees are increasingly taking advantage of these programs. Employees who participate in these arrangements are still required to meet all of the requirements of their jobs,

but in a manner that strikes a better work-life balance.

- **Inclusive benefits programs** that include paid parental leave for primary, secondary and adoptive caregivers in the United States, an extensive backup childcare program available in a number of markets and domestic partner benefits.

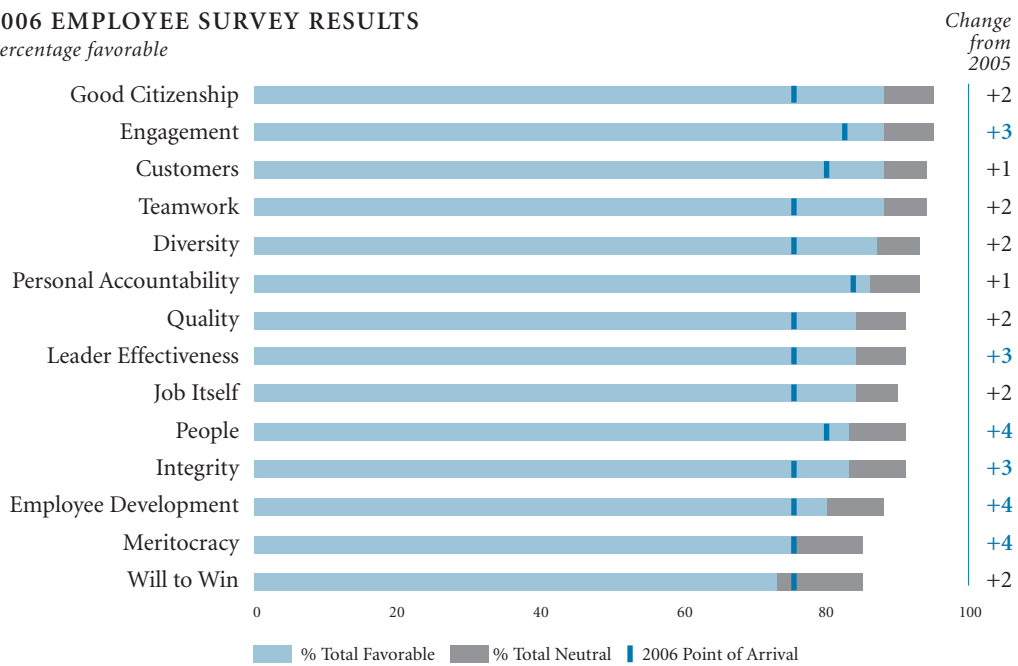
DEVELOPING THE NEXT GENERATION OF LEADERS

Developing the traits of a successful leader takes ongoing commitment, focus and energy, as well as an understanding of the varying needs of employees. We have a clear roadmap in our leadership model created to bring clarity to what we mean by leadership at American Express.

A look at the 2006 worldwide employee survey results:

2006 EMPLOYEE SURVEY RESULTS

Percentage favorable



Our Leadership Model:



Training programs are available globally for employees. They may learn the fundamentals of leadership or help run a course about how to motivate employees. One course, called “Leadership: Inspiring Employee Engagement,” helps focus senior leaders on the skills needed to inspire employees to do their best work. In 2007, we also rolled out a new leadership training course called “Authentic Leadership” available for mid-level managers.

A LOOK AT LEADERSHIP DEVELOPMENT: THE GLOBAL ROTATION PROGRAM

The Company’s Global Rotation Program provides opportunities for employees within certain functional areas to work in a different

part of the world for up to six months, contributing to or even leading key strategic projects. It is a highly challenging experience that allows employees to work on business-building initiatives, increase their global mindset and foster networking and relationship-building for the employee and the host department. Since the program was introduced in 2002, more than 100 employees have rotated through these assignments around the world.

OUR COMPENSATION PHILOSOPHY

Our compensation programs are results-oriented, market-focused and flexible. We believe our performance management and rewards systems must send a consistent and competitive

[LEADERSHIP IN THE COMMUNITY]

Since the American Express Paid Sabbatical Program was started in the early 1990s, hundreds of American Express employees throughout Canada, the United Kingdom and the United States have volunteered thousands of hours of their time with community organizations.

The Paid Sabbatical Program offers eligible employees the opportunity to donate time and talent to not-for-profits while maintaining full pay and benefits.

Simon Harrison, an 18-year veteran of American Express, spent six months at the Hove YMCA in England, developing a comprehensive volunteer program for the organization. Hove YMCA provides a range of support services, youth and sports activities and developmental opportunities to isolated and disadvantaged young people and their families.

“I was able to bring my business skills to help develop the volunteer program overall. I also had the chance to become a mentor to one young person — I really feel like the support and guidance I was able to give about career planning and interview techniques will help him,” said Harrison.

One of Simon’s contributions allowed Hove YMCA to address a long-held goal to develop a framework for recruiting volunteers. “This framework allowed our organization to offer people, especially young people from the community, opportunities to volunteer on our many projects and programs,” said Stuart Johnson, Youth and Community Services manager at Hove YMCA. Building on Simon’s work, the organization was able to secure two years of funding for a part-time volunteer coordinator.

“Simon also enhanced Hove’s leadership acumen in the volunteer sector by raising our business management awareness and understanding,” Johnson added.



[Simon Harrison, at the Hove YMCA]

OUR EMPLOYEES

AMERICAN EXPRESS U.S. WORKFORCE

Data as of September 2007

Job Categories	Total Employees	Women	Total Minority	Black	Hispanic	Asian	American Indian	Native Hawaiian/PI	Multi-Race
Executive Senior Level Officials and Managers	109	26.6%	21.1%	6.4%	3.7%	10.1%	0.0%	0.0%	0.9%
First/Mid-Level Officials and Managers	9,289	55.6	28.9	7.4	8.7	12.4	0.3	0.1	0.0
Professionals	4,971	57.6	30.6	9.4	11.6	8.9	0.5	0.1	0.1
Technical	98	34.7	27.6	14.3	7.1	5.1	1.0	0.0	0.0
Sales	851	62.3	17.7	7.5	6.2	3.3	0.1	0.1	0.5
Office and Clerical	15,254	77.3	43.4	23.1	14.8	4.1	0.7	0.2	0.5
Other	72	29.2	30.6	15.3	11.1	1.4	2.8	0.0	0.0
Totals	30,644	66.7%	36.0%	15.6%	12.1%	7.4%	0.5%	0.2%	0.3%

Comparable data not collected outside the U.S.

pay-for-performance message to employees at all levels across the Company. Pay for Performance is also one of the fundamental tenets of our total compensation program, which encompasses the various pay, benefits and special programs offered by American Express.

EXECUTIVE OFFICER COMPENSATION

We believe that having executives who are strong leaders will enable us to attract and retain the best talent, promote continued growth and demonstrate the Company's values.

Our compensation program for the top leaders of the Company is designed to attract, motivate and retain executives of exceptional ability and experience. For this reason the program includes incentive compensation tied to our annual and longer-term financial and strategic objectives, aligning the financial interests of our most senior leaders with those of our shareholders.

DIVERSITY AND INCLUSION

We value an inclusive work environment because we fundamentally believe that it will lead to greater commercial success. Guided by our business principles and leadership values, we also know that a thriving, diverse workplace will make us a stronger company.

To win in the global marketplace, we must attract the most talented people and ensure their development and long-term success. We recognize the importance of drawing on different perspectives to remain innovative, to truly understand the needs of our diverse customers and to help build our business. Being a leader in diversity also strengthens our Company's brand image, employee satisfaction and customer loyalty.

Employees at all levels and across all disciplines around the globe have contributed to the Company's success in promoting diversity. The American Express Blue Box Diversity Councils — both U.S. and International — are made up

[VALUING DIVERSITY] *Employee networks help recognize and celebrate diversity.*



of senior leaders from across the Company who set the overall diversity vision and policy, manage best practices and monitor progress against other leading companies. Primary areas of focus include development and environment, supplier diversity and selection and hiring. We have made progress in creating and maintaining a work environment that not only welcomes diversity and inclusion, but links it more closely with our business strategies.

Our Employee Networks are an important part of the diversity effort. The networks are open to all employees and sponsor activities such as job fairs, cultural events and volunteer programs. They also support employee recruitment and retention initiatives and enhance marketing efforts in communities of interest to American Express. We have 11 networks with 49 chapters globally, initiated and driven by employees.

Asian Employee Network

Black Employee Network

Christian Employee Network

Disabilities Awareness Network

Employees Over 40 Network

Gay, Lesbian, Bisexual and Transgender Employee Network

Hispanic Employee Network

Jewish Employee Network

Muslim Employee Network

Native American Employee Network

Women's Interest Network

OUR EMPLOYEES

[HISPANIC EXPO] *The Hispanic Employee Network showcases Zalia, a Latina-owned cosmetics line, with mini-makeover sessions at the Hispanic Expo in New York City.*



[VOLUNTEERING] *Employees helped rebuild Phuket, Thailand following the devastating tsunami.*



*Serving the communities
in which we live and work
is an extension of the service
ethic that lies at the heart
of our business.*



RECOGNIZING RESPONSIBILITY

To The World Around Us

[ANDREW JONES AND RADIAH PINCKNEY HELP KEEP THEIR GREENSBORO, NORTH CAROLINA COMMUNITY CLEAN.]

As a company that has always taken social responsibility seriously, American Express cares about the concerns of the communities where we live and work.

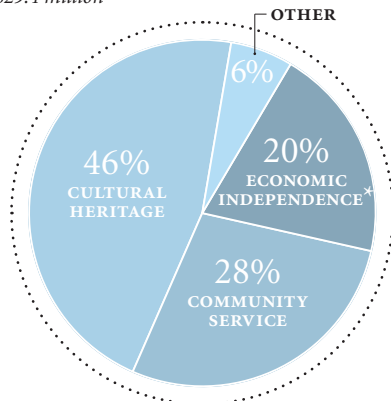
INVESTING IN COMMUNITIES

Philanthropy has always been an important part of the culture at American Express. The Company and its employees have supported important causes since the 1850s, when employees contributed to the fundraising effort to build a pedestal for the Statue of Liberty. We formalized our efforts in 1954 with the formation of the American Express Foundation, a New York-based non-profit entity that supports non-profit charitable organizations. To date, the Foundation has provided nearly half a billion dollars to hundreds of important causes and programs around the world.

A look at 2006 Giving:

2006 CONTRIBUTIONS

Total \$29.4 million



**Leadership theme replaced Economic Independence in 2007.*

With a current budget of more than \$30 million annually, we make grants to organizations focused on three core areas:

- Preserving and enriching our diverse cultural heritage
- Developing new leaders for tomorrow
- Encouraging community service where our employees and customers live and work

Information about the specific grants awarded can be found at www.americanexpress.com.

CULTURAL HERITAGE

As one of the world's largest travel companies, we realize the importance of preserving our cultural heritage and promoting responsible tourism. In 2006, American Express announced the launch of American Express Partners in Preservation, a \$10 million, five-year commitment to historic preservation that renews the Company's focus on securing the use of cultural assets for the future. American Express is the founding sponsor of the World Monuments Fund (WMF) Watch program. This was established in 1995 to call international attention to and ensure the preservation of cultural heritage sites around the world threatened by neglect, vandalism, armed conflict or natural disaster. The Company has contributed more than \$10 million over the past ten years to help preserve 126 historic sites in 62 countries on the World Monuments Watch List of the 100 Most Endangered Sites.

[PRESERVING AND PROTECTING SITES AROUND THE WORLD]

Over the years, American Express has contributed millions of dollars to historic preservation-related projects and helped to preserve more than 100 iconic sites across the globe including Sir Ernest Shackleton's Expedition Hut, Antarctica; Palace of Fine Arts, Mexico City; Ducal Palace, Zadar, Croatia; The Temple of Hercules, Rome, Italy; Dalhousie Square, Calcutta, India; and the Bandiagara Cultural Landscape, Bandiagara, Mali.

In 2006, American Express announced the launch of a \$10 million, five-year commitment to the work of the World Monuments Fund and the National Trust for Historic Preservation.

As part of this commitment, American Express and the National Trust for Historic Preservation launched the U.S. Partners in Preservation initiative by awarding \$1 million in grants to historic sites in San Francisco and the surrounding Bay Area. The grant awards were selected after a six-week public voting period during which 200,000 individuals voted for their favorite historic sites from a slate of 25 candidates. The top award winner was Berkeley's First Church of Christ, Scientist, designed by famed architect Bernard Maybeck. Twelve other sites received grants to implement important preservation projects. A similar program was conducted in Chicago, Illinois, and is currently underway in Sydney, Australia.



[Site restoration at Jaisalmer, India]

Recognizing both the benefits and the pressures of tourism on cultural heritage sites around the world, American Express and the World Monuments Fund are building upon these preservation initiatives by creating a global grants program that focuses on the sustainable tourism aspect of historic sites.

DEVELOPING NEW LEADERS FOR TOMORROW

We live in a constantly and dramatically changing world. As the landscape evolves, so do the tools needed for leaders to harness that change and improve organizational and individual performance. American Express appreciates the impact that excellent leaders can have on business and society as a whole and dedicates significant resources to attract, develop and retain talented employees with leadership potential.

The Company also extends this commitment to leadership development to a broader community. We are seeking the best methods, programs

and partners that provide current and future not-for-profit leaders with practical opportunities to learn and build leadership skills.

Our goal is to fund projects that cultivate leaders for diverse communities within the not-for-profit sector or that focus on innovative leadership development programs for emerging leaders of world-class institutions. As an example, a grant to the Bridgespan Group will enable the organization to expand their services in the New York metro areas to build stronger not-for-profit groups. They will match passionate and talented executives with talent-seeking organizations through online services, and deepen the practical knowledge and resources available to not-for-profit leaders.

EMPLOYEES IN ACTION: VOLUNTEERING AND COMMUNITY SERVICE

Service to customers is the heart of our business, and service to the community is an important and natural extension of Company

[GETTING INVOLVED] *Teams in Mexico, and around the world, volunteer to help students learn the importance of education to their future.*



and employee efforts. Whether mentoring students, caring for the elderly, feeding the hungry or cleaning up the environment, thousands of American Express employees serve their communities through volunteerism and personal financial contributions each year. In fact, in 2006, more than 20,000 employees volunteered for more than 100,000 hours with community organizations. The Company actively encourages and facilitates employee volunteerism.

For example:

- The Global Volunteer Action Fund (GVAF) recognizes and rewards employees for their volunteer service. Through this program, the American Express Foundation contributes grants of up to \$1,000 to not-for-profit organizations based on individual employee or employee team volunteer efforts. In 2006, 407 GVAF grants were awarded totaling nearly \$320,000 globally.
- The Employee Volunteer Program Web site offers one-stop shopping for employees in the United States who are looking to make a difference in their communities. Employees can post and view available projects, sign up for projects, recruit colleagues to join volunteer teams, track participation and apply for Global Volunteer Action Fund grants.
- During Make A Difference Month activities in the spring of 2007, 13,000 employees in 12 countries volunteered close to 39,000 hours with charitable organizations in their communities. Projects ranged from runs and walks to raise funds for educational projects in Mexico, to blood drives in India.

We also serve our communities by supporting immediate and long-term relief and recovery efforts to help victims of natural disasters around the world. Funding also goes to support preparedness programs that allow relief agencies to be better equipped to respond to emergencies.

From top to bottom: Supporting communities in Hong Kong, the United States and the United Kingdom.



[RESPONDING TO THE EVENTS OF SEPTEMBER 11, 2001]

American Express has a special connection to the area now known as Ground Zero. Our headquarters sit directly across from the former World Trade Center site. Like many of our neighbors in the area, our Company and people bore witness to the tragic events of September 11, 2001. More than 4,000 employees who worked at our downtown offices evacuated the area and we lost eleven colleagues that day. Our building sustained significant damage and, as a result, our New York workforce relocated to interim offices around the region.

Employees everywhere took immediate action to assist colleagues, customers and business partners who needed help. More than 12,000 downtown New York businesses were contacted with offers of assistance. Thousands of stranded travelers around the world needed consultations, new arrangements and emergency funds.

As an expression of its commitment to New York City and Lower Manhattan at a time of maximum need, American Express announced within weeks its decision to move back to its headquarters building.

In addition, and for the same reason, the Company decided to become founding sponsor of the River to River Festival, a summer-long series of downtown concerts offered free to the public, and the Tribeca Film Festival, the world-class film festival. Together, these events have drawn millions of visitors to Lower Manhattan and helped revive local businesses. We supported the development of the Tribute World Trade Center Visitor Center, and have pledged \$10 million to the World Trade Center Memorial Foundation to help build the Memorial and Memorial Museum.

The cumulative impact of these decisions helped this important area of the city regain its vitality and momentum towards renewal.



[Thousands enjoy free entertainment in Lower Manhattan each year, provided by the River to River Festival.]

American Express recognizes a responsibility to manage our impact on the environment.

BUILDING RESPECT FOR THE ENVIRONMENT INTO OUR BUSINESS

In keeping with our longstanding commitments to community service and corporate citizenship, we recognize our responsibility to protect the environment and to help ensure its health and well-being for generations to come. We view our role in two ways — first, to do our part to build sustainability into our business while reducing our environmental impact overall, and second, to provide our customers the opportunity to pursue their environmental objectives when doing business with us.

For more than two decades, we have implemented energy reduction and waste management programs as fundamental principles of our operations. But we know there is more to be done. We must better understand and manage our impact on the environment through thoughtful and disciplined use of energy and natural resources and effective management of our wastes and emissions. To reach this goal, we are increasing our focus on environmental issues and have committed to reducing our carbon footprint 10 percent by 2012 from our 2006 baseline estimate.

Understanding our impact:

As a global corporation, American Express represents a significant user of natural resources with a wide range of direct and indirect effects on the environment.

We recently completed a high-level review of our environmental impact to provide us a more detailed view of our consumption and related emissions.

Where we are today:

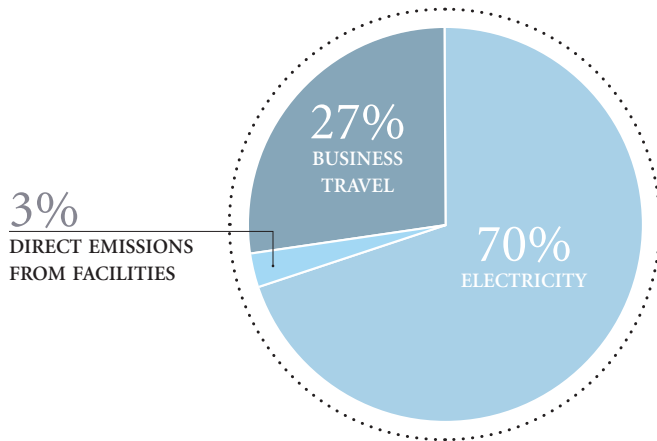
Estimated global carbon emissions for 2006 totaled 302,735 metric tons of CO₂ and CO₂ equivalents, based on a greenhouse gas footprint analysis conducted in 2007.

We will continue to refine our process and calculations as improved tracking and reporting systems are put in place and an ongoing reporting program is built. In this first assessment, we did not include employee commuting activities to and from work in the business travel analysis since tracking mechanisms are not currently in place. Following common industry practice, we also did not include paper consumption in the carbon footprint figure. However, we know that the Company is a large consumer of paper and we are focused on reducing this usage.

*We are committed to
reducing our carbon footprint
10% by 2012*

Following this analysis, we have determined the primary areas of focus for reducing our carbon emissions: increasing energy efficiency in our facilities and sourcing more of our electricity from renewable energy sources.

KEY SOURCES OF GREENHOUSE GAS EMISSIONS



Calculation Methodology

SCOPE

Direct emissions

- Buildings gas and fuel consumption
- Refrigerant gas losses

Indirect emissions

- Electricity
- Business travel - air, car, rail

GEOGRAPHIC COVERAGE

- Global

AREAS FOR ACTION

The four key areas of focus for our environment program are as follows:

1. CORPORATE COMMITMENT

Policies and Executive Oversight:

The Company’s first set of official Environmental Principles was formulated more than 15 years ago to address areas including compliance with government regulations, energy conservation, waste reduction and disposal and sustainable use of natural resources. Today, we are integrating these activities into an enhanced environmental program to govern future initiatives. We are creating an Office of Environmental Responsibility with senior executive oversight to ensure a comprehensive approach to improving the Company’s environmental performance and will institute an updated Environmental Policy for the company, along with an increased focus on tracking and reporting our global environmental impact.

2. WHERE WE WORK

Facilities and Physical Infrastructure:

Our facilities and infrastructure represent some of our most significant effects on the environment, and therefore, significant opportunities for improvement. Whether by promoting energy efficiency, supporting green building design, reducing paper use and other waste streams, using environmentally-sensitive cleaning products or rethinking how and what we serve in our cafeterias, we are expanding existing programs and crafting new strategies to reduce negative impacts.

Our existing environmental program includes energy conservation, waste stream reduction and sustainable use of natural resources.

Energy conservation efforts to date include:

energy efficient design criteria in facilities, installation of energy efficient technology during new and retrofit construction, use of high efficiency motors, chillers and cooling towers, energy efficient lighting retrofits and managing electrical peak demand through building controls.

Waste streams reduction and disposal efforts to date include: proactive paper recycling programs, proper disposal of lamps and batteries and selection of vendors with environmental programs.

Sustainable use of natural resources to date includes: respecting existing trees, soil and wildlife during construction of facilities and conservation of open spaces, water and fuel.

ENERGY CONSERVATION

We reduced the amount of electricity used in the United States by approximately 4,000,000

new facilities, energy efficiency is increasing in importance.

Representative examples:

At our Service Center in North Carolina, the building was designed more than 20 years ago with a south-facing slope and glass curtain wall construction for maximum solar benefits. The building is shaded by trees in summer and has no central heating system, which saves thousands of dollars annually on heating and cooling costs while providing a comfortable environment for customer service representatives. Inside the building, digital control valves on the air handlers, more efficient primary



Campaign in multiple markets encouraging cardmembers to turn off paper statements.

kilowatt hours (kWh) in 2006 with programs including:

- Improvements in lighting systems scheduling, shortened hours of service of escalators and modifications to fan pressure controls at corporate headquarters in New York City.
- Daylight harvesting in the outdoor parking garage, improvements to an air chiller and air conditioning temperature controls at our Florida campus.

Energy Efficient Building Design/Operations

Energy efficiency is achieved in a variety of ways, with initial building design representing an important component. At American Express we have a number of energy efficient programs in place for existing facilities, and as we look at

and secondary chilled water pumps and other devices contribute additional energy savings.

In Sydney, Australia we are constructing a new building for occupancy in 2008 designed to achieve a high Australian Building Greenhouse Rating (ABGR). The building will feature a number of energy/resource efficiency elements, including:

- Water saving devices including rain tanks and water-saving faucets.
- Lighting and air conditioning that will operate on base hours of 7am - 7pm, with all non-essential lights switched off on evenings and weekends.
- On demand air conditioning for large meeting rooms so users will have the option to turn the system on as needed.

Waste Stream Reduction and Disposal

We have made progress in the area of solid waste reduction and recycling activities across the Company's major facilities.

In the United Kingdom, we partnered with a company called Green Standards to handle unwanted material (e.g., old furniture, fixtures) through their "Waste to Wonder" program. The program donates the material to local schools or schools in poor and developing African nations. Last year, our facilities in the U.K. redistributed and recycled a weight of almost 140,000 pounds of office materials, and helped charities in the U.K. and Africa. We are considering potential opportunities for this program in other regions including the U.S. and Canada.

We have also partnered with our food service provider to begin the process of "greening" every American Express cafeteria in the U.S. and Canada. Specific initiatives include:

- Recycling fryer oils, which then may be reused for bio-diesel fuel.
- Offering organic products.
- Using sustainable seafood from environmentally-friendly fisheries.
- Using bulk condiments instead of or in addition to portion packs.
- Encouraging use of hot beverage mugs instead of disposable cups.

In order to build on the activities noted above, we plan to conduct comprehensive audits of all of our major facilities to identify additional opportunities to conserve energy, incorporate energy efficient technology, optimize building control systems to maximize energy efficiency, look at ways to better manage our waste streams, improve the diversion of waste from landfills and to purchase environmentally-sensitive products and materials to run

[BUILDING DESIGN] *The American Express office under construction in Sydney, Australia incorporates numerous design features to conserve resources.*



AMERICAN EXPRESS GLOBAL RECYCLING FIGURES FOR FIRST HALF OF 2007

Recycled Material

Paper (Cardboard, Magazines, Paper)	2,523 Tons
Aluminum	14 Tons
Plastic	24 Tons
Office & Construction Waste	333 Tons

(Key materials where statistics are available)

our operations. We will also develop plans to procure energy from companies that provide renewable energy.

3. HOW WE WORK

Procurement and Business Operations:

The products we purchase and the internal processes through which we conduct business also represent an important opportunity for us to reduce our environmental impact. We will work with our suppliers and employees to bring greater consideration of environmental impacts on decision-making.

In 2007, we began preparing environmental practice requirements for inclusion in certain vendor contracts (e.g., paper vendors, janitorial providers and mail room suppliers) and expect to continually expand our review of supplier relationships to purchase products and services from suppliers who demonstrate environmental and social responsibility. This review of the environmental impact of our supply chain is a new area of focus for us, and one that we believe will require increased emphasis in the future.

Sourcing and use of paper represents one of the Company's important categories of environmental impact. Employees in key functions are being educated about the opportunities

for decreasing paper consumption, in order to reduce the Company's overall paper usage and to encourage the adoption of environmentally-friendly forest management and paper production processes by our suppliers.

We will track key volumes and impacts related to consumption of various goods/commodities required to run our business and seek ways to minimize their effects.

American Express is also interested in alternatives for the plastic used in our cards. Our suppliers have conducted considerable research and development to seek recycled plastic options able to withstand the years of use required for our cards. To date, tests have shown that recycled content is still unable to serve the usage and design needs we require. We will continue to encourage this research to seek viable alternatives.

4. HOW WE SERVE CUSTOMERS

Products and Services:

There are a number of areas in which we can provide customers with services or tools to help them manage their environmental impacts, from eliminating paper statements and reports to carbon emissions reporting tools for travel data. The initiatives below represent some of the ways our business units are responding to or anticipating client needs for environmental consideration.

They include:

- Encouraging the greater or exclusive use of online statements and reporting across customer groups around the world.
- Piloting programs that enable clients to track their activities and measure environmental impacts.
- Enabling cardmembers to redeem rewards points for donations to charitable organizations with an environmental focus.

[SAVING PAPER AT OUR U.S. OPERATIONS]

At American Express, we communicate with our customers and prospective customers in a number of ways, but mail remains an important way to notify consumers about products, services and account information. As a result, even slight reductions in paper use or changes in our paper sourcing can have dramatic impacts across our operations.

In 2006, we began to reduce the weight of paper we use in many of our marketing mailings in the United States. By the third quarter of 2007, we saved about 3,517,000 pounds of paper, while lowering our costs by \$1.4 million dollars.

The Company is now expanding the use of lighter-weight paper stocks and developing more rigorous metrics to measure progress. We are also testing different paper-saving options for our brochures and catalogues, including increased use of mixed paper sources, which use more of the tree to make paper.



OTHER CORPORATE INITIATIVES

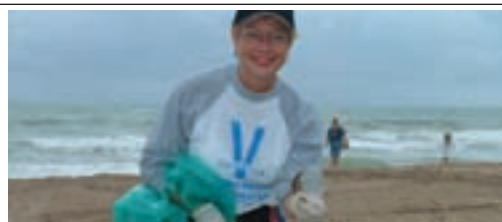
The Company and our employees are involved in a wide range of programs that benefit the environment, including:

- Volunteering on numerous projects with environmental benefits such as setting up a farmers market in Calgary, cleaning beaches in South Florida and creating a woodland footpath for people with disabilities outside London. For 2007/2008, the U.K. volunteer program will have a year-long focus on projects with environmental benefit.
- Grants supporting environmentally-focused

since 2005. Categories include Economic Development, Cultural Preservation, Community Outreach, Green/Eco-hotel Initiative, Ecological Conservation, Innovation and Corporate Initiative.

While the Company has numerous initiatives underway to help improve the environment and reduce our overall impact, we recognize that improving our environmental performance is a continuous, long-term endeavor with many areas still to be addressed. We will continue to report our priorities and progress over time, and are committed to this environmental management program.

Employee volunteer projects help protect our natural resources, like this South Florida beach cleanup.



charities/projects (e.g. International Tourism Partnership, Nature Conservancy, Wildlife Conservation Society, Tree Utah, Rails to Trails Conservancy, Greensboro Beautiful and Earth University Foundation in Costa Rica).

- Company matching of employee contributions to eligible 501(c)(3) environmental organizations and the inclusion of Earth Share, a federation representing more than 500 environmental and conservation groups, as a giving option in the U.S. Employee Giving Campaign annual charity fundraising effort.
- *Travel + Leisure* Magazine (T+L) Global Vision Awards recognizing people and organizations that have made significant contributions to the cultural, ecological and historical treasures of the traveler's world

FUTURE PERSPECTIVES

We hope this report has provided you with a greater understanding of the Company's business activities, key areas of focus and dedication to corporate responsibility.

In each of the areas covered — Shareholders, Customers, Employees and the World Around Us — the objective was to provide context for our current activities, as well as identify the areas where we know there is more to be done.

Please visit our website at www.americanexpress.com/CSR for additional information about many topics covered within the report and for periodic updates.

GLOBAL REPORTING INITIATIVE REFERENCE INDEX

In this first global Corporate Citizenship Report, we provide an overview of our practices and policies and our view of corporate responsibility. The table below notes the GRI indicators on which we have fully or partially reported.

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