

2020-2021 TCFD INDEX

American Express Task Force on Climate-related Financial Disclosures (TCFD) Index

The Financial Stability Board (FSB), comprised of members of the G20, established the TCFD to develop recommendations for more effective climate-related disclosures. As part of our commitment to climate action, American Express reports annually in line with the TCFD recommendations. The table below summarizes our approach to climate-related governance, strategy, risk management, and metrics and targets. It also discloses the outcomes from the qualitative climate risk scenario analyses we performed in 2020 and 2021 to assess physical and transition risks to our business related to climate change. In 2021, we became a formal TCFD Supporter, joining over 2,500 organizations taking action to build a more resilient financial system through transparent, climate-related disclosure. For additional resources, refer to the Advancing Climate Solutions section of our [2020-2021 ESG Report](#) starting on page 54 and [CDP Climate Change Questionnaire](#).

TCFD Recommendation	Disclosure
GOVERNANCE	
<p>a) Describe the board's oversight of climate-related risks and opportunities</p>	<p>The Nominating, Governance, and Public Responsibility Committee (NGPRC) of American Express' Board of Directors has the primary responsibility of ESG matters, including climate-related issues. The NGPRC is comprised solely of independent directors and reviews our ESG strategy and Corporate Social Responsibility program, monitors progress against ESG goals, and provides guidance on our efforts. The Chief Corporate Affairs Officer (CCAO), who sits on our Executive Committee, updates the NGPRC on ESG-related issues, progress, and performance. Additionally, climate-related risks are managed as part of our multidisciplinary enterprise risk management process. The Risk Committee of our Board of Directors provides oversight of the Enterprise Risk Management (ERM) framework, processes, and methodologies and approves our ERM Policy, which covers risk governance, oversight, and risk appetite including credit risk, market risk, operational risk, reputational risk, country risk, model risk, asset-liability management risk, and strategic and business risk.</p>
<p>b) Describe management's role in assessing and managing climate-related risks and opportunities</p>	<p>Executive leadership at American Express is directly involved in our ESG Strategy, which includes the management of climate-related risks and opportunities. Our Chief Corporate Affairs Officer (CCAO) oversees the Corporate Affairs & Communications (CA&C) Department and has direct responsibility for leading ESG and Corporate Social Responsibility (CSR) initiatives. The CCAO sits on the Executive Committee and reports directly to the Chairman and Chief Executive Officer.</p> <p>The ESG Steering Committee helps guide our ESG strategy and related policies and programs. Led by the CCAO, the cross-functional team includes senior executives from across the organization including the General Counsel's Organization, Global Real Estate and Workplace Experience, Investor Relations, Global Compliance & Ethics, Strategic Partnerships, and others that meet at least once every quarter to discuss ESG topics and strategies to advance our ESG goals. In 2020, the steering committee established working groups focused on our three strategic ESG pillars, including Advance Climate Solutions, which is focused on developing climate-related goals and operational strategies to achieve our objectives. An additional working group focuses on ESG-related disclosures and we also formed a TCFD Working Group to evaluate physical and transition risks and opportunities identified in our assessment.</p> <p>The Office of CSR and ESG team within the CA&C Department is responsible for oversight and coordination of climate-related issues across the company. The team works closely with business units, including Global Real Estate and Workplace Experience, Technology, and others, to monitor climate-related risks and opportunities, carbon reduction efforts, energy efficiency programs, and employee engagement.</p>

STRATEGY

a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term

American Express takes a strategic approach to climate change impacts, considering the risks and opportunities across the short term (0-3 years), medium term (3-6 years), and long term (6-10+ years). In 2020, we conducted qualitative analyses of current and potential climate-related physical and transition risks and opportunities to our operations, supply chain, and business activities.

The qualitative climate-related physical risk assessment performed in 2020 evaluated potential acute and chronic risks and opportunities associated with the physical impacts of climate change on key operations across several time horizons including historic conditions (1990-2018) and medium-term (2035) and long-term (2060) projections. The potential physical risks included flooding due to sea level rise and extreme precipitation, cyclonic storm threats, drought, and extreme temperatures across the some of our critical sites. These threats could affect operations at our global headquarters, data centers, call centers, offices, tech operations, and third-party supplier card manufacturing sites. The qualitative climate-related transition risk analysis evaluated three scenarios from the International Energy Agency (IEA) to analyze the impact of transition risks on our company's potential future revenues and costs between 2025 and 2040. We assessed transition risks and opportunities associated with current and emerging regulations on carbon, technology advances to transition to a low-carbon future, and market and reputational risks. We identified potential short-, medium-, and long-term risks in a variety of areas including: current regulations and carbon pricing; emerging regulations related to enhanced emissions reporting requirements; shifting consumer preferences; reputational risks; increased operating costs; impacts to travel patterns; and geographic or location-based risks.

We identified climate-related opportunities in the short, medium, and long term that may have financial or strategic impacts on our business. These included reducing operating costs and environmental impact at our global facilities by improving energy, water, and resource efficiency, leveraging climate-related policies and tax incentives to expand on-site renewable energy, and developing new low-carbon products and services for customers. We have already made investments in research and development to respond to shifting consumer preferences and interest in low-carbon products and services. In 2019, we launched the first American Express Card made primarily from reclaimed plastic collected from oceans and coasts, which reduces GHG emissions and energy and water consumption during manufacture compared to virgin plastic. We also introduced our first Card Take Back Program, which enables US Consumer, Small Business, and Corporate Card Members to send back expired or non-working Cards to American Express for proper recycling. To date, we have recycled more than 920,000 Cards through the program in the US. We also expanded our Carbon Footprint Dashboard, making it available to certain corporate clients to help them quantify their carbon emissions from air and business travel spend.

b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning

Climate-related risks and opportunities inform our strategies and financial planning for our direct operations, products and services, and investments in research and development.

For the qualitative climate-related physical risk analysis, we evaluated potential threats to critical business sites across our global operations both under historic conditions and applied to future climate projections from the Intergovernmental Panel on Climate Change's (IPCC), Representative Concentration Pathway (RCP) 8.5 scenario. We evaluated threats and mitigation opportunities at select sites across our global operations, supply chain, and revenue sources. Each site was examined for seven potential risks from the physical impacts of climate change: 1) increasing temperatures; 2) sea level rise; 3) precipitation changes; 4) flooding; 5) cyclonic events; 6) extended drought; and 7) extreme temperatures.

For the qualitative climate-related transition risk analysis, we evaluated the impact of three future scenarios from the International Energy Agency (IEA), compatible with a 6°C, 2-3°C, and 2°C or lower pathway on countries essential to our business operations. The findings evaluated the impact of transition risks to our potential future revenues as well as costs associated with capital expenditures and capital allocation strategies over short and long-term horizons.

We have announced climate-related goals as part of our Advance Climate Solutions pillar in our 2020-2021 ESG Report (page 13), which includes our goal to enhance the management of climate-related risks and opportunities across our business. Our operational strategy has been influenced by climate-related risks including those associated with emerging regulation on carbon pricing mechanisms that may increase operating costs, and acute and chronic physical risks that may increase our capital expenditures over short-, medium-, and long-term time horizons. We have identified opportunities to minimize these risks by maintaining carbon neutrality, continuing to invest in energy efficiency projects, onsite renewable electricity generation, and renewable Energy Attribute Certificates (EACs), and maintaining our commitment to net-zero emissions by 2035. Across our value chain, climate-related risks and opportunities exist through innovation and investments in research and development for our products and services to address shifts in consumer preferences and interest for low-carbon products and services. To further integrate opportunities into our strategy and financial planning, we have a goal to pilot low-carbon innovations by the end of 2022, including carbon tracking and offset solutions for customers.

TCFD Recommendation	Disclosure
STRATEGY	
<p>c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2 degree Celsius or lower scenario</p>	<p>Our qualitative climate risk scenario analysis, ESG governance, Advance Climate Solutions strategy roadmap, and new climate-related goals demonstrate progress on our approach to enhance climate risk management and scenario analysis across our organization. We aim to proactively identify and respond to climate-related risks and opportunities and support our customers and communities to develop the capacity to prepare for and respond to future changes as a result of climate change. We leverage science-based frameworks including the IPCC and IEA, to inform our climate-related risk identification process across short-, medium-, and long-term horizons. We are committed to net-zero emissions by 2035 in alignment with the Science Based Targets initiative (SBTi) and selected a goal to align with reducing emissions to limit global warming to 1.5°C above pre-industrial levels.</p>
RISK MANAGEMENT	
<p>a) Describe the organization's processes for identifying and assessing climate-related risks</p>	<p>To identify and assess climate-related risks we conducted qualitative climate-related physical and transition risk and opportunity assessments to understand the current and potential impacts of climate change to our direct business operations, supply chain, markets, and financial activities. For climate-related risks we consider current and emerging regulations, technology, legal, and reputational risks and included qualitative factors such as disruptions to our operations, impacts on our colleagues, and damage to our brand. Looking ahead, we plan to conduct a quantitative physical risk scenario analysis to manage physical risks.</p>
<p>b) Describe the organization's processes for managing climate-related risks</p>	<p>Climate-related risks are managed as part of our multidisciplinary enterprise risk management process. Enterprise risk management is overseen by our Board of Directors through its Risk Committee, Audit and Compliance Committee, and Compensation and Benefits Committee, which are comprised entirely of independent directors and provide regular reports to the full Board regarding matters reviewed by the committees. These three committees meet regularly with our Chief Risk Officer, Chief Compliance and Ethics Officer, the Chief Audit Executive, and other senior management with regards to our risk management processes, controls, talent, and capabilities to monitor our risk culture and emerging and strategic risks. Additionally, the ESG Steering Committee and Advance Climate Solutions Working Group, comprised of senior leaders across the organization, consider climate-related risks in connection with developing climate-related goals and operational strategies to achieve our objectives. In 2020, we conducted a materiality assessment to identify priority environmental, social, and governance issues for our business with input from internal and external stakeholders. As a result of this process, we ranked 20 priority ESG issues in order of importance to our stakeholders and our degree of control and influence. Key issues identified included climate change, energy, and GHG emissions, data privacy and security, financial resiliency, community resiliency, colleague health and safety, and social and environmental innovation.</p>
<p>c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management</p>	<p>The ESG Steering Committee and ESG Working Groups comprised of senior leadership discuss ESG topics and climate-related risks, opportunities, and strategies to advance our ESG goals.</p> <p>Physical climate-related risks and opportunities are primarily managed by our Global Real Estate and Workplace Experience and Technology teams. Operational risks, including extreme weather events and natural disasters, are identified and measured for severity as part of our business continuity planning and process. Disaster Recovery and Business Continuity Plans are developed and updated regularly to ensure steps are in place to identify and respond before, during, and after a service continuity event. Our facility and data center teams review these established procedures and controls, test them annually, and certify key equipment and systems operations to ensure uninterrupted operation of our data centers during localized weather events. Our facility infrastructure is monitored 24/7 and test results are tracked and reported. Our US-based data center facilities are ISO-certified to ensure that environmental risks and/or opportunities are identified and prioritized.</p> <p>Transition risks and opportunities, including current and emerging regulations, disclosure requirements, legal and reputational risks, and customer requirements are considered by, among others, our Global Real Estate and Workplace Experience team, Global Risk and Compliance, our General Counsel's Organization, Finance, Technology, CA&C, and CSR.</p>

TCFD Recommendation	Disclosure
METRICS & TARGETS	
<p>a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process</p>	<p>American Express tracks metrics to assess climate-related risks and opportunities including total GHG emissions, energy and water consumption, purchased and on-site renewable electricity, waste, and green building certifications. For multi-year trends in our metrics, see the Environmental Performance Data Summary section of our 2020-2021 ESG Report (page 63).</p>
<p>b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions, and the related risks</p>	<p>We track and disclose our Scopes 1, 2, and 3 GHG emissions on an annual basis. Emissions are calculated in alignment with the Greenhouse Gas Protocol and third-party verified using the ISO14064-3 standard. To neutralize the carbon footprint of our facilities, we continue to purchase renewable Energy Attribute Certificates (EACs) and installed rooftop solar panels to power our data center in North Carolina. Since 2018, we have been certified by CarbonNeutral®, a leading third-party framework. Please refer to our 2020-2021 ESG Report for our Scopes 1, 2, and 3 GHG emissions data for 2020, 2019, and 2018, located in the Environmental Performance Data Summary section (page 63).</p>
<p>c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets</p>	<p>We aim to minimize the impact of our operations on the environment and climate. In 2019, we set environmental performance goals to reduce energy, water, and waste across our global operations, power our operations with renewable electricity, remain CarbonNeutral®, source responsibly, remove single-use plastics, and achieve green building certifications. Additionally, in 2020, we joined RE100, a global coalition of leading businesses that champion 100% renewable electricity. In 2020 and 2021, we developed goals across our ESG strategy's three pillars: Promote Diversity, Equity, and Inclusion; Build Financial Confidence; and Advance Climate Solutions. We established strategic objectives and corresponding goals to minimize our climate impact, manage our climate-related risks and opportunities, enable our customers and partners to transition to a low-carbon economy through the development of new capabilities across our company, and support community programs and initiatives to help build more climate resilient and equitable communities. In 2021, we formally committed to the Science Based Targets initiative to set goals aligned with the goal to limit global warming to 1.5°C.</p> <p>American Express has set the following climate-related goals:</p> <ul style="list-style-type: none"> ■ Commit to net-zero emissions by 2035, in alignment with the Science Based Targets initiative (SBTi). ■ Pilot low carbon product innovations, including carbon offset and tracking solutions by the end of 2022. ■ Remain carbon neutral across our operations and employee business travel.¹ ■ Continue to power our operations with 100% renewable electricity.² ■ Reduce energy use by 35% across our global managed facilities compared to a 2011 baseline by 2025.³ ■ Reduce water use from our managed facilities by 10% per colleague compared to a 2019 baseline by 2025.³ ■ Reduce waste generated from our managed facilities by 10% per colleague compared to a 2019 baseline by 2025.³ ■ Divert 60% of office waste generated from our managed facilities away from landfills by 2025.⁴ ■ Eliminate single-use plastics across our operations by 2025. ■ Source 100% of our direct marketing, customer communications, and office paper from certified responsibly managed forests by 2025. ■ Achieve green building certifications for 60% of our operations by 2025.⁵ <p>Refer to our 2020-2021 ESG Report for performance and progress against these goals.</p>

1. Operations include all our managed facilities, field sites, and data centers. Managed facilities are individual properties operationally managed by our Global Real Estate team and housing critical business functions. Field sites are individual properties that are not operationally managed by our global real estate team but directly by our business. They are typically smaller sites less than 30,000 square feet (including airport lounges, foreign exchange kiosks, and sales offices) that are owned or leased by American Express. The company's zero net carbon emissions commitment covers Scope 1 (direct emissions from sources owned or controlled by American Express), Scope 2 (indirect location-based and market-based emissions), and Scope 3 emissions (Waste and employee business travel, including third-party air, rail, and rental cars), through renewable energy credits, carbon offset, and reduced GHG emissions.

2. Across our global managed facilities, field sites, and data centers.

3. Measurement is based only on managed facilities where metered and/or measured data is available; per colleague employee goals based on number of employees assigned located in such managed facilities. Reduction in energy, water, and waste usage is partially due to reduced overall demand related to COVID-19 work-from-home arrangements. Energy, water, and waste usage is expected to increase as more colleagues return to office.

4. Measurement is based only on managed facilities where metered and/or measured data is available; per colleague goals based on number of colleagues located in such managed facilities.

5. Green building certified percentage is represented by the total square footage of leased or owned facilities actively occupied by American Express (excluding parking lot square footage) certified under a global or locally recognized third-party environmental building rating system as meeting their performance criteria (LEED, BREEAM, NABERS, and GreenMark).

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

When we use the terms “American Express,” “company,” “we,” “us,” or “our” in this document, we mean the American Express Company and its subsidiaries, on a consolidated basis, unless we state, or the context implies, otherwise. The 2020-2021 TCFD Index includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 which are subject to risks and uncertainties. The forward-looking statements, including the company’s aspirational ESG commitments and goals, contain words such as “believe,” “expect,” “anticipate,” “intend,” “plan,” “aim,” “will,” “may,” “should,” “could,” “would,” “likely,” “potential,” “commit,” “hope,” “continue,” or other similar expressions. Actual results may differ from those set forth in the forward-looking statements due to a variety of factors, including: competition, brand perceptions and reputation; an inability to develop and market value propositions that appeal to Card Members and new customers; the amount and efficacy of investments in product innovations, resources, marketing campaigns and programs; changing customer behaviors, interest in the company’s products, resources and programs, and willingness to access capital provided by the company, spend money at small businesses, and value environmentally and socially responsible products and services; management’s inability to identify suitable suppliers, grantees, partners and community investments and negotiate acceptable terms; the actual amount the company spends with suppliers, on ESG initiatives and to make appropriate salary adjustments, all while implementing operating expense control initiatives; an inability to build partnerships and execute programs with other companies and of partners to meet their obligations to the company; changes in developing standards and certifications; the cost and availability of renewable energy, carbon removal and carbon offset projects, energy attribute certificates, certified paper, and green buildings, and alternatives to single-use plastic; supply chain and market disruption; regulation; potential M&A activity; severe weather conditions, natural disasters and other catastrophic events; changes in the company’s real estate, technology, colleague and community engagement, and risk management strategies; an inability of waste management systems to divert waste to recycling and composting facilities; and changes in economic or business conditions and the company’s ability to grow, improve its financial performance and execute on its strategies. A further description of these and other risks and uncertainties can be found in the company’s Annual Report on Form 10-K for the year ended December 31, 2020 (the “2020 Annual Report”) and the company’s other filings with the U.S. Securities and Exchange Commission. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made. We undertake no obligation to update or revise any forward-looking statements. This index includes trademarks, such as American Express®, which are protected under applicable intellectual property laws and are the property of the American Express Company or its subsidiaries. Solely for convenience, our trademarks and trade names referred to in this report may appear without the ® or TM symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the right of the applicable licensor to these trademarks and trade names. Apex Companies, LLC was engaged to conduct an independent verification of the greenhouse gas (GHG) emissions reported by American Express for the calendar year 2020. The Verification Statement and the scope of work is included in the 2020-2021 ESG Report on pages 87-89.