Key Priorities for 2020

- Support our colleagues and win as a team
- Protect our customers and the brand
- Structure the company for growth in the future
- Remain financially strong
## COVID-19 Response: Powerfully backing our colleagues, communities and customers

### Colleagues
- Work from home arrangements in all locations across the globe
- Committed to no COVID-19 related layoffs in 2020
- Continuing to pay salaries of colleagues impacted by virus without using other paid leave
- Paying for all COVID-19 testing and treatment costs under U.S. medical plans

### Communities
- Over $6M in grants to support organizations providing PPE, developing vaccines and feeding people in impacted communities
- Matching up to $1M in U.S. Card Member donations to Feeding America using Membership Rewards points
- Working with strategic partners to provide hotel rooms for front-line workers

### Card Members
- Customer pandemic relief program with payment deferrals with no credit bureau reporting, as well as interest and late fee waivers
- Adding a range of offers, credits and rewards for a variety of “stay at home” services for both consumers and small businesses
- Waiving American Express Travel fees on modifications to eligible upcoming trips

### Merchants
- #StayHome and #ShopSmall campaign
- Created a StandForSmall coalition to support small business
- Extending the amount of time merchants have to respond to a Card Member disputes
- Raising contactless transaction thresholds to reduce physical contact at the point of sale

### Additional-information
- Over $6M in grants
- Over $1M in donations
- Matching up to $1M
- #StayHome
- #ShopSmall
- StandForSmall
- Up to $1M
- Feeding America
- Membership Rewards
- Hotel rooms
- American Express Travel
- U.S. Card Member
- PPE
- COVID-19
- Clinical trials
- Front-line workers
- Customer pandemic relief program
- Payment deferrals
- Credit bureau reporting
- Interest and late fee waivers
- Offers, credits and rewards
- “Stay at home” services
- Small businesses
- Merchant disputes
- Contactless transaction thresholds
- Clinical trials
- Front-line workers
- COVID-19
- PPE
- Payment deferrals
- Credit bureau reporting
- Interest and late fee waivers
- Offers, credits and rewards
- “Stay at home” services
- Small businesses
- Merchant disputes
- Contactless transaction thresholds
Summary Financial Performance

($ in millions; except per share amounts)

<table>
<thead>
<tr>
<th></th>
<th>Q1’20</th>
<th>Q1’19</th>
<th>YoY% Inc/(Dec)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revenues Net of Interest Expense FX-Adjusted*</td>
<td>$10,310</td>
<td>$10,364</td>
<td>(1%)</td>
</tr>
<tr>
<td>Net Income</td>
<td>$367</td>
<td>$1,550</td>
<td>(76%)</td>
</tr>
<tr>
<td>Diluted EPS†</td>
<td>$0.41</td>
<td>$1.80</td>
<td>(77%)</td>
</tr>
<tr>
<td>Adjusted Diluted EPS excluding credit reserves**</td>
<td>$1.98</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average Diluted Shares Outstanding</td>
<td>808</td>
<td>843</td>
<td>(4%)</td>
</tr>
</tbody>
</table>

*Total Revenues Net of Interest Expense adjusted for FX is a non-GAAP measure. FX-adjusted information assumes a constant exchange rate between the periods being compared for purposes of currency translation into U.S. dollars (i.e., assumes Q1’20 foreign exchange rates apply to Q1’19 results). †Attributable to common shareholders. Represents net income less earnings allocated to participating share awards, dividends on preferred shares and other items. ** Q1’20 Adjusted EPS, a non-GAAP measure, excludes the portion of Provisions for credit losses attributable to reserve builds. See Annex 1 for a reconciliation to EPS on a GAAP basis.
**Weekly Billed Business Trends**

**AXP Proprietary Billed Business**

Weekly, 7-day avg. % Increase/(decrease) vs. Prior year (FX-adjusted):

- January: 20%
- February: 0%
- March: (20%)
- April: (40%)
- May: (60%)
- June: (80%)
- July: (100%)

**AXP Proprietary T&E vs. Non T&E**

Weekly, 7-day avg. % Increase/(decrease) vs. Prior year (FX-adjusted):

- Non-T&E:
  - January: 20%
  - February: 0%
  - March: (20%)
  - April: (40%)
  - May: (60%)
  - June: (80%)
  - July: (100%)

- T&E:
  - January: 20%
  - February: 0%
  - March: (20%)
  - April: (40%)

**Note:** In any given month, the exact days of the week falling in that month as well as the timing of holidays can impact billed business growth rates, a concept the Company refers to as “days mix.”
Worldwide Total Loans

### Ending Total Loans

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Ending Total Loans ($ in billions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1'19</td>
<td>$85.1</td>
</tr>
<tr>
<td>Q2'19</td>
<td>$87.4</td>
</tr>
<tr>
<td>Q3'19</td>
<td>$88.1</td>
</tr>
<tr>
<td>Q4'19</td>
<td>$92.2</td>
</tr>
<tr>
<td>Q1'20</td>
<td>$82.9</td>
</tr>
</tbody>
</table>

YoY Growth:
- Q1'19: 12%
- Q2'19: 11%
- Q3'19: 9%
- Q4'19: 8%
- Q1'20: (3%)  

### Q1’20 Total Loan Mix

- U.S. Consumer: 70%
- Intl. Consumer: 10%
- Small Business: 20%

Note: Total Loans reflects Card Member loans and Other loans.
Worldwide Card Member Receivables

Total Ending Card Member Receivables

($ in billions)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Total Ending Receivables</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1'19</td>
<td>$56.8</td>
</tr>
<tr>
<td>Q2'19</td>
<td>$58.7</td>
</tr>
<tr>
<td>Q3'19</td>
<td>$56.6</td>
</tr>
<tr>
<td>Q4'19</td>
<td>$57.4</td>
</tr>
<tr>
<td>Q1'20</td>
<td>$44.7</td>
</tr>
</tbody>
</table>

YoY Growth:
- Q1'19: 5%
- Q2'19: 7%
- Q3'19: 2%
- Q4'19: 3%
- Q1'20: (21%)

Q1'20 Card Member Receivables Mix

- Small Business: 12%
- Corporate Card: 35%
- Intl. Consumer: 23%
- U.S. Consumer: 30%
Worldwide Card Member Credit Metrics

Card Member Loans Net Write-off Rates

Q1'19  Q2'19  Q3'19  Q4'19  Q1'20
2.3%  2.3%  2.1%  2.3%  2.5%

30+ Days Past Due
1.5%  1.4%  1.5%  1.5%  1.7%

Card Member Receivables Net Write-off Rates (excluding GCP)

Q1'19  Q2'19  Q3'19  Q4'19  Q1'20
1.8%  1.7%  1.8%  1.9%  2.1%

30+ Days Past Due*
1.5%  1.4%  1.5%  1.4%  1.9%

GCP Net Write-off Rates**
0.8%  0.7%  0.9%  0.8%  1.0%

Note: Card Member loans and receivables (excluding Global Corporate Payments (GCP)) Net write-off rates include Principal only. See Statistical Tables for the first quarter of 2020, available at ir.americanexpress.com, for net write-off rates including interest and fees. *30+ Days past due as a % of Global Consumer and Global Small Business Services Card Member receivables excludes GCP. ** GCP net write off rates include principal and fees.
Customer Pandemic Relief (CPR) Program

CPR Program Details

<table>
<thead>
<tr>
<th></th>
<th>Loans ($ in billions)</th>
<th>Card Member Receivables ($ in billions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer</td>
<td>$2.8</td>
<td>$0.7</td>
</tr>
<tr>
<td>Small Business</td>
<td>$2.3</td>
<td>$2.4</td>
</tr>
<tr>
<td>Corporate</td>
<td></td>
<td>$0.3</td>
</tr>
<tr>
<td>Total</td>
<td>$5.1</td>
<td>$3.4</td>
</tr>
</tbody>
</table>

% of Q1’20 Total: 6% for Loans, 8% for Card Member Receivables

- Card Members globally that have been impacted by COVID-19 can enroll in the CPR Program and receive:
  - 1-3 months of payment deferral
  - Waivers on interest and certain fees
  - Protection from credit bureau reporting

Represents the balances at enrollment for card members in the Customer Pandemic Relief Program as of April 19, 2020.
Total Reserves

(. in billions)

Q4'19 Ending Reserves: $3.2
Jan 1st CECL Implementation: $1.2
Q1'20 Beginning Reserves: $4.3
Q1 Credit Reserve Build*: $1.6
Q1'20 Ending Reserves: $5.9

Total Loans: $1.7
CM Receivables: ($0.5)

Reserves as a % of CM loans:
- Q4'19 Ending Reserves: 2.7%
- Jan 1st CECL Implementation: 1.1%
- Q1'20 Beginning Reserves: 4.6%
- Q1 Credit Reserve Build*: 0.2%
- Q1’20 Ending Reserves: 6.7%

Reserves as a % of CM receivables:
- Q4'19 Ending Reserves: 2.7%
- Jan 1st CECL Implementation: 1.1%
- Q1'20 Beginning Reserves: 4.6%
- Q1 Credit Reserve Build*: 0.2%
- Q1’20 Ending Reserves: 1.0%

*Q1’20 Balance Sheet credit reserve build is $92M lower than the P&L credit reserve build due to other receivables and FX impacts. Reserve subtotals may not foot due to rounding.
Credit Reserve Build Macroeconomic Assumptions

1st Quarter credit reserve build of $1.7Bn is driven by Macroeconomic Forecast scenarios

<table>
<thead>
<tr>
<th></th>
<th>Q4’19</th>
<th>Q2’20 Forecast Assumptions**</th>
<th>2008-2010 Peak</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unemployment</td>
<td>3.5%</td>
<td>9% – 13%</td>
<td>9.9%</td>
</tr>
<tr>
<td>GDP*</td>
<td>2.1%</td>
<td>(18%) – (25%)</td>
<td>(8.3%)</td>
</tr>
</tbody>
</table>

Note: Unemployment and GDP are U.S. rates *Real GDP QoQ % Change Seasonally Adjusted to Annualized Rates (SAAR); **Q2’20 Forecast assumptions as of 3/31/2020 from an independent third party.
Funding Strategy

Business Funding Needs

Diversified and Flexible Funding

Strong Liquidity Profile

Maturities
Cash and Investments

Note: Change in Cash & Investments represents the change in the Balance Sheet.
We diversify our funding sources by maintaining scale and relevance in unsecured debt, asset securitizations and deposits.

Deposits have grown to become the largest proportion of our total funding.

Given the significant reductions in our business volumes and changes in growth outlook, we do not currently expect to have meaningful unsecured or secured term debt issuances for the remainder of 2020.

---

**Funding Mix**

<table>
<thead>
<tr>
<th></th>
<th>YE 2008</th>
<th>Q1'20</th>
</tr>
</thead>
<tbody>
<tr>
<td>$113.5</td>
<td>8%</td>
<td>3%</td>
</tr>
<tr>
<td>$134.0</td>
<td>14%</td>
<td>58%</td>
</tr>
<tr>
<td>$13.3</td>
<td>47%</td>
<td></td>
</tr>
<tr>
<td>$76.5</td>
<td>67%</td>
<td></td>
</tr>
</tbody>
</table>

*Reflects face amount of Card ABS, net of securities retained by the Company. Includes outstanding ABS secured borrowing facility draws. **Reflects face amount of unsecured term debt; the long-term debt balance on the Company’s consolidated balance sheet includes capitalized leases and certain adjustments that are not included in these balances. ***Consists of $49.0B from high yield savings accounts and $2.4B from direct CDs as of March 31, 2020.*
Issuer Entities

- Our issuance entities can access a range of funding sources to support our global business.

**American Express Company (AXP)**
- General Corporate Purposes
- Senior Debt Rating †: A3/BBB+/A

**American Express Travel Related Services (TRS)**
- General Corporate Purposes
- Senior Debt Rating †: A2/A-/A

**American Express Credit Corporation (Credco)**
- International Consumer & Small Business
- Global Corporate
- Senior Debt Rating †: A2/A-/A

**American Express National Bank (AENB)**
- US Consumer, Small Business & Co-Brand
- Senior Debt Rating †: A3/A-/A

**Additional Liquidity Sources**
- Cash & Readily Marketable Securities, Discount Window
- Direct Deposits, Third Party CD, Third Party Sweep, Asset Backed Securities (AMXCA), Secured Borrowing Facility
- Commercial Paper, Unsecured Term Debt, Committed Bank Credit Facility, Secured Borrowing Facility

Note: AMXCA = American Express Credit Account Master Trust. †Credit Ratings indicated are from Moody’s/S&P/Fitch as of December 31, 2019. Credit Outlook: Moody’s, S&P, Fitch – stable
*Reflects long-term CDs issued with an original maturity of 12 months or greater. **Reflects the face amount of Card ABS, net of securities retained by the company. Excludes drawn amounts on the secured borrowing facilities. †Reflects face amount of Unsecured Term Debt; the long-term debt balance on the Company’s consolidated balance sheet includes capitalized leases and certain other items that are not included in these balances. Note: totals may not sum due to rounding.
Capital Management

Capital Strength
CET1 Capital Ratio Target of 10-11%

Return on Equity (ROE)

Business Needs and Acquisition

Payout
* Impact of the 5-year transition option under the Fed’s interim final rule to delay capital effects of CECL until 2022, followed by a 3-year transition.
The deterioration in the economy due to COVID-19 impacts has dramatically impacted our volumes.

We focus on supporting our colleagues and customers while remaining financially strong and positioning for growth when the economy begins to improve.

In light of the current environment, we are aggressively reducing costs across the enterprise, while at the same time selectively investing in initiatives that are key to our long-term growth strategy.

We entered this crisis with particularly strong capital and liquidity positions that will enable us to remain financially strong.

As of March 31, 2020

- 11.7% CET1 Ratio
- Strong liquidity position with $41.1B in Cash and Investments
- Diversified funding mix. Year-to-date growth of $4.7B in deposits
Total Provisions for Losses

($ in millions)

YoY Growth

<table>
<thead>
<tr>
<th>Period</th>
<th>Write-offs</th>
<th>Reserve Builds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3'18</td>
<td>$87</td>
<td>$730</td>
</tr>
<tr>
<td>Q4'18</td>
<td>$18</td>
<td>$706</td>
</tr>
<tr>
<td>Q1'19</td>
<td>$66</td>
<td>$791</td>
</tr>
<tr>
<td>Q2'19</td>
<td>$75</td>
<td>$795</td>
</tr>
<tr>
<td>Q3'19</td>
<td>$161</td>
<td>$804</td>
</tr>
<tr>
<td>Q4'19</td>
<td>$1,703</td>
<td>$863</td>
</tr>
<tr>
<td>Q1'20</td>
<td>$1,024</td>
<td>$918</td>
</tr>
</tbody>
</table>

YoY Growth:
- Q3'18: 6%
- Q4'18: 14%
- Q1'19: 4%
- Q2'19: 7%
- Q3'19: 8%
- Q4'19: 7%
- Q1'20: 224%
How We Approach Environmental, Social and Governance

Our approach to environmental, social and governance (ESG) is a natural extension of both our mission—to become essential to our customers by providing differentiated products and services to help them achieve their aspirations—and our commitment to doing what is right. Our executive management reviews and evaluates performance and long-term goals with respect to ESG matters within their business units. The Board’s Nominating, Governance and Public Responsibility Committee reviews our Corporate Social Responsibility program, monitors progress against our goals and provides guidance on our efforts.

Promoting Responsible Business Practices

Maintain the highest standards of ethics and integrity

- The Amex Ethics Hotline is available 24/7 for employees, contractors, vendors and others to raise ethical or compliance concerns
- Each colleague receives Global Regulatory Learning Enterprise Essential Training

Serving Our Colleagues

Foster a diverse and inclusive culture and support our colleagues’ professional and personal goals

- 20 weeks of gender-neutral paid parental leave for U.S. colleagues
- Maintained 100% score on the Human Rights Campaign’s Corporate Equality Index and inclusion on Bloomberg’s Gender-Equality Index
- 88% of colleagues participated in personal or professional development trainings

Caring For Our Communities

Strengthen the communities in which we operate and engage citizens

- $42M in charitable giving from grants provided by the Company, our Foundation, our Center for Community Development and gift matching programs.
- 7M estimated citizen volunteers engaged, in part, by grants from American Express

Managing Our Operations Responsibly

Reduce our environmental footprint

- 100% renewable electricity powered our operations
- Zero net carbon emissions

Delivering For Our Customers & Partners

Meet the evolving needs of our customer base and make our products and services better for society

- Launched the first-ever American Express Card manufactured primarily from recovered plastic found in the oceans and on the coasts
- $96M donated through U.S. Card Members program from 2010 to 2019 to benefit charitable causes

American Express Credit Account Master Trust (AMXCA)

<table>
<thead>
<tr>
<th>Eligible assets</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ US Consumer Card Member loans</td>
<td></td>
</tr>
<tr>
<td>▪ US Small Business Card Member loans</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Assets in trust</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ Consumer Card Member loans</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Trust Size: Principal AR</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ $27.0 billion</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Investor Interest</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ $18.2 billion</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Seller Interest</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ $8.8 billion</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Funding Maturities* ($ in billions)</th>
<th></th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>Thereafter</th>
</tr>
</thead>
<tbody>
<tr>
<td>$3.5</td>
<td>$3.7</td>
<td>$6.4</td>
<td>$2.7</td>
<td>$0.0</td>
</tr>
</tbody>
</table>

American Express Credit Account Master Trust (AMXCA)

### Past Due Rate
- **Past Due Rate (Calculated)**
- Graph showing percentage values from 0.0% to 2.5%
- Data points from March 19 (3/19) to March 20 (3/20)

### Default Rate
- **Annualized Default Rate, Net**
- Graph showing percentage values from 0.0% to 2.5%
- Data points from March 19 (3/19) to March 20 (3/20)

### Monthly Payment Rate
- Graph showing percentage values from 0.0% to 40%
- Data points from March 19 (3/19) to March 20 (3/20)

### Trust Portfolio Yield
- Graph showing percentage values from 0% to 25%
- Data points from March 19 (3/19) to March 20 (3/20)
We are in Category IV per the Federal Reserve’s framework (the Tailoring Rules) for segmenting firms with assets between $100B and $250B.

**Regulatory Requirements**

- Basel Advanced Approaches & Supplementary Leverage Ratio (SLR)
- Dodd-Frank Act Stress Testing (DFAST)
- Annual Capital Plan
- Comprehensive Capital Analysis & Review (CCAR)
- Full Liquidity Coverage Ratio (LCR) / Net Stable Funding Ratio (NSFR)
- Dodd-Frank Act Liquidity Stress Testing
- Resolution Planning

<table>
<thead>
<tr>
<th>Requirement</th>
<th>Pre-Tailoring</th>
<th>AXP &amp; AENB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basel Advanced Approaches &amp; SLR</td>
<td>✓</td>
<td>×</td>
</tr>
<tr>
<td>DFAST</td>
<td>✓</td>
<td>×</td>
</tr>
<tr>
<td>Annual Capital Plan</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Comprehensive Capital Analysis &amp; Review (CCAR)</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Full Liquidity Coverage Ratio (LCR) / Net Stable Funding Ratio (NSFR)</td>
<td>✓</td>
<td>×</td>
</tr>
<tr>
<td>Dodd-Frank Act Liquidity Stress Testing</td>
<td>✓</td>
<td>×</td>
</tr>
<tr>
<td>Resolution Planning</td>
<td>✓</td>
<td>×*</td>
</tr>
</tbody>
</table>

*AENB continues to be required to prepare and provide a separate resolution plan to the FDIC that would enable the FDIC, as receiver, to effectively resolve AENB under the FDIA in the event of failure. The FDIC has issued an Advance Notice of Proposed Rulemaking on potential revisions to this separate resolution plan requirement for insured depository institutions, and the next round of insured depository institution resolution plan submissions will not be required until the rulemaking process is complete.*
## Capital Ratios

<table>
<thead>
<tr>
<th></th>
<th>Q1'20</th>
<th>Q4'19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common Equity Tier 1 Risk-Based Capital</td>
<td>11.7%</td>
<td>10.7%</td>
</tr>
<tr>
<td>Tier 1 Risk-Based Capital</td>
<td>12.8%</td>
<td>11.6%</td>
</tr>
<tr>
<td>Total Risk-Based Capital</td>
<td>14.4%</td>
<td>13.2%</td>
</tr>
<tr>
<td>Tier 1 Leverage</td>
<td>10.0%</td>
<td>10.2%</td>
</tr>
</tbody>
</table>

*Note: Company’s consolidated risk-based capital ratios, as calculated under U.S. regulatory capital standards, known as Basel III.*
Annex 1

Diluted Earnings per Share

Diluted EPS – GAAP
Impact of credit reserve builds (pre-tax)
Tax impact of credit reserve builds
Diluted EPS – Adjusted

<table>
<thead>
<tr>
<th></th>
<th>Q1’20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diluted EPS – GAAP</td>
<td>$0.41</td>
</tr>
<tr>
<td>Impact of credit reserve builds (pre-tax)</td>
<td>2.09</td>
</tr>
<tr>
<td>Tax impact of credit reserve builds</td>
<td>(0.52)</td>
</tr>
<tr>
<td>Diluted EPS – Adjusted</td>
<td>$1.98</td>
</tr>
</tbody>
</table>
Contact Information

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E-mail: Chen.Wang@aexp.com

American Express Company  
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New York, NY 10285
Forward-Looking Statements

This presentation 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, which address American Express Company’s current expectations regarding business and financial performance, among other matters, contain words such as “believe,” “expect,” “anticipate,” “intend,” “plan,” “aim,” “will,” “may,” “should,” “could,” “would,” “likely” and similar expressions. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made. The company undertakes no obligation to update or revise any forward-looking statements. Factors that could cause actual results to differ materially from these forward-looking statements, include, but are not limited to, the following:

- a further deterioration in global economic and business conditions, consumer and business spending generally; an inability or unwillingness of Card Members to pay amounts owed to the company; uncertain impacts of, or additional changes in, monetary, fiscal or tax policy to address the impact of COVID-19; prolonged measures to contain the spread of COVID-19 or premature easing of such containment measures, either of which could further exacerbate the effects on the company’s business activities and results of operations, Card Members, partners and merchants; an inability of the company to manage risk in an uncertain and fast-changing environment; further market volatility and changes in capital and credit market conditions and the availability and cost of capital; issues impacting brand perceptions and the company’s reputation; changes in foreign currency rates and benchmark interest rates; an inability of business partners to meet their obligations to the company and the company’s customers due to slowdowns or disruptions in their businesses or otherwise; pricing changes, product mix and credit actions, including line size and other adjustments to credit availability; and telecommunications failures, internet outages or cybersecurity incidents impacting transaction authorization, clearing and settlement systems;

- the amount of future credit reserve builds, which will depend in part on changes in consumer behavior that affect loan and receivable balances (such as paydown rates) and delinquency and write-off rates; macroeconomic factors such as unemployment rates, GDP and the volume of bankruptcies; the impact of the Current Expected Credit Loss (CECL) methodology; collections capabilities and recoveries of previously written-off loans and receivables; the enrollment in, and effectiveness of, hardship programs and troubled debt restructurings; and governmental actions that provide forms of relief with respect to certain loans and fees, such as limiting debt collections efforts and encouraging or requiring extensions, modifications or forbearance;

- the actual amount to be spent on marketing and promotion, which will be based in part on continued changes in macroeconomic conditions and business performance; management’s assessment of competitive opportunities; contractual obligations with business partners and other fixed costs and prior commitments; and management’s ability to realize efficiencies and optimize investment spending;

- the actual amount to be spent on Card Member rewards and services, which could be impacted by Card Members’ interest in the value propositions offered by the company; further enhancements to product benefits to make them attractive to Card Members, potentially in a manner that is not cost effective; Card Member behavior as it relates to their spending patterns (including the level of spend in bonus categories) and the redemption of rewards and offers; the costs related to reward point redemptions; and new and renegotiated contractual obligations with business partners;
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- the ability of the company to reduce its operating expenses and meet its commitment of no COVID-19 related layoffs for the remainder of 2020, which could be impacted by, among other things, the company’s inability to balance expense control and investments in the business; management’s decision to increase or decrease spending in such areas as technology, business and product development, sales force, premium servicing and digital capabilities depending on overall business performance; an inability to innovate efficient channels of customer interactions, such as chat supported by artificial intelligence; higher-than-expected cyber, fraud or compliance expenses or consulting, legal and other professional fees, including as a result of increased litigation or internal and regulatory reviews; the level of M&A activity and related expenses; the payment of civil money penalties, disgorgement, restitution, non-income tax assessments and litigation-related settlements; impairments of goodwill or other assets; the impact of changes in foreign currency exchange rates on costs; and greater than expected inflation;

- net card fees not growing consistent with current expectations, which could be impacted by, among other things, the further deterioration in macroeconomic conditions impacting the ability and desire of Card Members to pay card fees; higher attrition rates; Card Members continuing to be attracted to the company’s premium card products; and the company’s inability to address competitive pressures and implement its strategies and business initiatives, including introducing new benefits and services that are designed for the current environment;

- a further decline of the average discount rate, including as a result of further changes in the mix of spending by location and industry, merchant negotiations (including merchant incentives, concessions and volume-related pricing discounts), competition, pricing regulation (including regulation of competitors’ interchange rates) and other factors;

- changes in the substantial and increasing worldwide competition in the payments industry, including competitive pressure that may materially impact the prices charged to merchants that accept American Express cards, competition for new and existing cobrand relationships, competition from new and non-traditional competitors and the success of marketing, promotion and rewards programs;

- changes affecting the company’s plans regarding the return of capital to shareholders, which will depend on factors such as capital levels and regulatory capital ratios; changes in the stress testing and capital planning process and approval of the company’s capital plans; the company’s results of operations and financial condition; and the economic environment and market conditions in any given period;

- a failure in or breach of the company’s operational or security systems, processes or infrastructure, or those of third parties, including as a result of cyberattacks, which could compromise the confidentiality, integrity, privacy and/or security of data, disrupt its operations, reduce the use and acceptance of American Express cards and lead to regulatory scrutiny, litigation, remediation and response costs, and reputational harm;

- legal and regulatory developments, which could affect the profitability of the company’s business activities; limit the company’s ability to pursue business opportunities; require changes to business practices or alter the company’s relationships with Card Members, partners, merchants and other third parties, including its ability to continue certain cobrand and agent relationships in the EU; exert further pressure on the average discount rate and GNS volumes; result in increased costs related to regulatory oversight, litigation-related settlements, judgments or expenses, restitution to Card Members or the imposition of fines or civil money penalties; materially affect capital or liquidity requirements, results of operations or ability to pay dividends; or result in harm to the American Express brand;
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- changes in the financial condition and creditworthiness of the company’s business partners, such as bankruptcies, restructurings or consolidations, including cobrand partners and merchants that represent a significant portion of the company’s business, such as the airline industry, or partners in GNS or financial institutions that the company relies on for routine funding and liquidity, which could materially affect the company’s financial condition or results of operations;

- factors beyond the company’s control such as fire, power loss, disruptions in telecommunications, severe weather conditions, natural and man-made disasters, or terrorism, any of which could significantly affect demand for and spending on American Express cards, delinquency rates, loan and receivable balances and other aspects of the company’s business and results of operations or disrupt its global network systems and ability to process transactions.

A further description of these uncertainties and other risks can be found in American Express Company’s Annual Report on Form 10-K for the year ended in December 31, 2019, the Quarterly Report on Form 10-Q for the quarter ended March 31, 2020 and the company’s other reports filed with the Securities and Exchange Commission.