

RETURN AND RENEWAL Eight months after the attacks of September 11, 2001, the company's return to its restored headquarters symbolized the company's commitment to help revitalize lower Manhattan. Continuing its longstanding tradition of good corporate citizenship, American Express sponsored a variety of events to bring people back downtown, including the first-ever Tribeca Film Festival and the Downtown NYC River to River Festival 2002.



and retail financial services are sound. While we have made many changes to our business models over the past two years, they are grounded in consistent principles and do not represent changes to our identity.

A corporate identity is also about what you stand for as an organization. Given our long history, what we stand for at American Express is well established. We are a premium provider, committed to demonstrating the qualities inherent in our brand — trust, integrity, service and quality. We aim for any product or service we offer, and any management action we take, to support our brand and reflect these qualities.

Being a premium provider is at the heart of who we are in the marketplace. While American Express is a leader in serving the affluent and upscale market in most of our businesses, being a premium provider does not just mean serving elite customers. For us, it means providing products and services that offer premium value in every line of business and for every customer segment we choose to serve.

By providing premium value to our customers, we will earn their loyalty and have greater pricing flexibility in the marketplace. To ensure this takes place, we are increasing the rigor we bring to measuring what superior value means to our customers, developing the right products and services to meet those needs better than our competitors, and having the appropriate measures in place to reward performance against our customer goals.

Our commitment to customers is paralleled by our commitment to our employees. At American Express, we work hard to create an environment in which all of our people feel that they are valued and can thrive. Staying true to this commitment, particularly in tough times, is essential.

Some of the changes that we have made in the past two years in response to the harsh environment, such as our workforce reductions, have involved difficult choices. By the close of 2002, we had reduced our workforce by 13,400 positions, or 15 percent, from where we stood at the start of 2001. This change was painful for the organization but necessary to strengthen