

Brand Promise

An Interview with **Timothy J. McClimon**,
President, American Express Foundation

EDITORS' NOTE *Timothy McClimon directs all of the global social responsibility, philanthropy and employee engagement programs at American Express. Before joining American Express, McClimon was Executive Director of Second Stage Theater, one of the largest nonprofit theaters in New York City, where he was responsible for fundraising, marketing, public relations, production management, financial management and board development. He has also served as the Executive Director of the AT&T Foundation where he directed AT&T's global philanthropy and corporate citizenship programs.*



Timothy J. McClimon

FOUNDATION BRIEF *Created in 1954, the American Express Foundation (about.americanexpress.com/corporate-responsibility) is a New York based nonprofit that supports charitable organizations. The Foundation believes strong communities enable thriving people and businesses which shapes social responsibility. Through its philanthropic and community work, the Foundation seeks to strengthen communities by serving and supporting the people and organizations that are tackling some of society's toughest challenges. It focuses on charitable giving in three main areas: helping develop emerging leaders who are addressing society's most complex issues; promoting stewardship of the historic places that bring value to local communities; and sustain our shared cultural heritage; and enabling nonprofit organizations to have a greater impact by engaging community members, including its own colleagues, as volunteers.*

How critical is purpose to the culture of American Express?

At American Express, the powerful backing we provide our customers is at the heart of our brand promise, and our service ethos is central to who we are as a company. The purpose of our corporate social responsibility program extends our powerful backing and service ethos beyond our customers to the communities where our stakeholders work and live. It benefits both our business and our communities to invest financial and human resources in ways that address the social, environmental and economic needs of our communities, customers, colleagues, shareholders and partners. This is the purpose of our corporate social responsibility program and the guidepost for the work we do every day.

Will you highlight American Express' areas of focus in its corporate responsibility efforts?

We focus American Express' corporate social responsibility efforts on five key pillars: promoting responsible business practices; serving our colleagues; delivering for our customers and partners; caring for our communities and managing our operations responsibly.

For example, as part of our caring for our communities pillar, 11 years ago, we launched the American Express Leadership Academy, which works to cultivate the next generation of nonprofit and social leaders. To date, we have hosted 112 Leadership

Academy programs across 11 countries, training more than 3,500 nonprofit and social sector leaders. Early this month we will host the American Express Leadership Academy Global Alumni Summit. Now in its fifth year, the Summit offers nonprofit leaders two days of robust professional development and networking opportunities. At the event, we will honor an alumnus or alumna of the Academy with the 2019 American Express Leadership Academy Alumni Award for demonstrating strong leadership while continually impacting his or her community.

What are the keys to driving employee engagement in American Express' CSR efforts?

Our colleagues are instrumental to the success of our CSR efforts, and we integrate them by initiating volunteer efforts and making donations to the causes they are passionate about.

The American Express Foundation focuses on charitable giving in four areas: serving communities, developing leaders, preserving places and sponsoring employee programs. Our colleagues are actively engaged in all four of these areas, and we also support them in giving back directly. In 2017, we contributed \$37 million to these areas with more than 400 grants and support for over 5,000 colleague-chosen organizations through the company's gift matching program.

Additionally, each year, thousands of American Express colleagues join company-sponsored community projects. Our Serve2Gether volunteer program gives them tools that make it easier to connect with and promote the causes they care about. Our Serve2Gether grants program provides micro-grants ranging from \$500 to \$2,500 to organizations where our colleagues volunteer 50 or more hours within a 12-month period. In 2017, the program awarded \$103,000 in grants in recognition of nearly 3,500 hours of volunteer service recorded by more than 500 colleagues.

How important is it to have such a strong commitment from the top of the company in order to drive success in your CSR efforts?

It's essential to have engagement at all levels of the company for our efforts to be successful. Our Chairman and CEO, Stephen Squeri, is a chief ambassador of our CSR program and authored the letter that we included in last year's Corporate Social Responsibility Report. Our colleagues also demonstrate a commitment to our CSR efforts with 80 percent of U.S. employees contributing to nonprofit organizations through our annual giving campaign, Give2Gether. Everyone from our student interns to our most senior executives have shaped and contributed to these efforts.

How critical are metrics to track impact of American Express' CSR programs?

It's imperative that we continually evaluate and measure the success of our CSR efforts. Our executive management holds ultimate responsibility for our CSR progress and success; these leaders review and evaluate environmental, social and governance (ESG) key performance indicators and long-term goals within their business units. At the Board of Directors level, the Public Responsibility Committee reviews our CSR program, monitors progress against our goals, and provides guidance on our efforts. Day-to-day, our CSR team works with colleagues throughout American Express to shape our program and monitor progress on key ESG issues.

We also report on our progress to our key constituents, most comprehensively in our annual corporate social responsibility report.

Are you able to take moments as a company to celebrate the impact that American Express has had with its CSR efforts?

There are several moments I share with our employees to reflect and celebrate the impact that American Express has had. For example, each spring, we offer our employees the opportunity to participate in the Serve2Gether Consulting Challenge, which is a 10-week program that allows employees to team up and apply their business skills to projects that help our nonprofit partners improve their branding and messaging, implement new digital media strategies, deepen engagement with donors and volunteers and strengthen their operations. At the end of the program during the closing celebration, it's amazing to see the hard work and dedication that our employees put in to help these nonprofit organizations. Since the launch of the program in 2012, we've engaged over 1,200 employees who have provided 52,000 hours of consulting (valued at \$7.8M) to nearly 260 nonprofit organizations. ●