

3 Things to Know About Amazon's Sustainability Initiatives



In just two years, eCommerce behemoth Amazon.com went from 12th in Fortune's 500 rankings to 5th, behind regulars Walmart, Exxon Mobile, Apple, and Berkshire Hathaway. While 2019 marks the first time Amazon has cracked the top five, it's also the first time they pledged to release data on their carbon footprint, something the list's top four have done for years.

Given its quick rise to the top of the list and the scrutiny that comes with it, in mid-February the tech giant announced its new sustainability initiative to get half of its package deliveries to a standard of net zero carbon by 2030, though it has not set a specific timeline for doing so. [Shipment Zero](#), as the new climate change initiative is called, includes improvements in areas like electric vehicles, aviation biofuels, reusable packaging, and renewable energy.

Here are three things to know about Amazon's sustainability initiatives:

They are bypassing the CDP

The nonprofit CDP collects data from major companies every year and compiles it into a comprehensive collection of environmental information. Last year, over 7000 companies submitted their carbon emissions reports. It's an important tool that, for example, investors utilize to determine whether or not a company is taking climate change seriously. For a publicly-traded company, this can eventually mean financial repercussions. Amazon has never

submitted data to the CDP, resulting in a score of “F” for non-participation, for the last nine years.

That’s not likely to change, either, as Amazon is developing its own system for tracking and reporting carbon emissions. Regardless, it’s important to investors that the methodology utilized for calculating greenhouse gas emissions is comparable to what is used by a reputable environmental reporting clearinghouse like the CDP and people will be keeping a close watch on the numbers.

They invested in an electrical vehicle startup

Also in mid-February, electric vehicle startup [Rivian](#) announced a \$700 million round of funding led by Amazon. The company, based in Michigan, is seen as a threat to Tesla and plans to release an electric pickup and electric SUV in the U.S. in 2020.

While no announcements have been made regarding Rivian’s vehicles joining Amazon’s fleet of delivery options, it would be a huge first step towards Shipment Zero’s success.

Their employees are calling for more

In an open letter on [Medium](#), nearly 7600 (and counting) Amazon employees, including executives and management, are calling for the company to do more to, such as creating a company-wide plan to reach zero carbon emissions “within the timeline required by science” saying, “Our customer obsession requires climate obsession.” Over 10% of Amazon’s employee base have signed the letter and according to the New York Times, it’s the largest employee-driven action regarding environmental issues in the tech industry.

Amazon has been a leader in the eCommerce sector for years, as evident by their meteoric rise to the top of Fortune’s list. They are in an ideal position to be a leader in corporate sustainability issues, but they are lagging behind other companies of their size and success. Shipment Zero—and any subsequent initiatives that the company launches—is only a first step towards the “climate obsession” their stakeholders demand.