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How did Amazon achieve CSR and some Sustainable Development Goals (SDGs) - climate change, circular economy, water resources and employee rights during COVID-19?

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Abstract: Stakeholders’ demand on corporate social responsibility (CSR) is not only create a pressure on the corporation, but corporations also themselves are aware to lead the CSR activities reporting and embed sustainable activities to create value for short, medium, and long-term. This research investigates the sustainable development and corporate social responsibility of Amazon as one of the most influential multinational enterprises in the world. In this regard, this study shed its lights on how Amazon has combined its own interests with corporate social responsibility and sustainable development, and how they have responded to a series of challenges brought by economic globalization to corporate social responsibility and sustainable development. The results of this detailed investigation of Amazon from 2018-2020 show that Amazon has performed very well in term of social responsibility and sustainable development. In particular, climate, environment, carbon emissions and other natural measures. However, there are some shortages in terms of human rights, such as insufficient protection and care for employees during the COVID-19 pandemic, and labor union issues. In addition, the study concluded that Amazon has sufficient experience to balance profit and corporate social responsibility. In response to the challenges of globalization, Amazon has also adjusted its sustainable development strategy in a timely manner, which can be used as a reference for other multinational enterprises.

Keywords: CSR; Sustainability; Amazon; COVID-19; CSD

1. Introduction

As the world’s largest international organization, the United Nations is committed to promoting corporate social responsibility (CSR) and corporate sustainable development (CSD). In January 1999, at the World Economic Forum in Davos, Switzerland, U.N. Secretary-general Kofi Annan proposed the Global Compact. In July 2000, the UN launched the “Global Compact” in New York. The UN Global Compact is the world’s largest corporate social responsibility initiative, with 13,000 companies in more than 170 countries participating to better fulfill corporate social responsibility and promote Global sustainable development (UN Global Compact). The Convention contains ten principles, focusing on human rights, employee protection, environmental protection, and corporate anticorruption, etc. Global Compact is just an advocacy convention, not mandatory. However, this does not mean that the promulgations of Global Compact have no effect. Zerk (2006) has argued that it provides more opportunities for CSR regulation of multinational corporations than many people think. At the same time, it provides a particularly
important reference for many enterprises to fulfill their CSR and achieve sustainable development.

Corporate social responsibility is an important part of today’s corporate development. To put it simply, CSR is a broad issue about the ever-changing relationship between enterprises, society, and government (Crane, 2008). The research on these issues will help the company better seek its own positioning in the market, fulfill corporate social responsibility, and increase the company’s reputation among consumers. With the deepening of economic globalization and the development of society, CSR and CSD are constantly changing to meet the requirements of today’s society. All aspects of society, from workers, investors, individual consumers to shareholder activists, claim that companies should take greater responsibility for the communities and environment that their activities affect (Aseeva et al., 2021). The fulfillment of CSR is not only out of moral considerations. External environment, such as government supervision and social requirements, also force enterprises to fulfill their corporate social responsibility to some extent. Any action taken by a company as an ethical actor has an impact not only on humanity but also on the world we live in (Idowu and Aluchna, 2017). However, not all companies have a good balance between their interests and CSR. Many enterprises abandon CSR and CSD in pursuit of profit. For instance, traditional resource mining companies find it difficult to protect the earth’s environment and pursue interests at the same time. Some enterprises in developing countries exploit employees. The basic rights and interests of employees are not protected yet. As a representative of the transnational e-commerce company, Amazon consumes a huge number of resources and packaging materials in transportation every year. The substantial number of employees in different parts of the world makes it difficult to fulfill the social responsibility such as employee benefits. How does it balance sustainability and CSR with the interests of the company? This is a question worth discussing.

CSR and CSD are important contents of today’s daily operation of enterprises, corporations now characterize their role as no longer just about profits, but about doing the best for society and the environment (Ertem-Eray, 2021). The “Corporate social responsibility” movement is known as one of the most important social movements of our era (Zerk, 2006). Many enterprises even take CSR as a strategic goal to achieve. It has been argued that business leaders and executives need to incorporate CSR practices into the core of their business strategies to fully capture the strategic value of CSR practices (Kuokkanen & Sun, 2019). From the strategic perspective of the organization, corporate social responsibility can be understood as a strategic measure of the enterprise, which is conducive to the brand development of the enterprise (Johnson et al., 2019). Meanwhile, corporate social responsibility is becoming increasingly important for corporate brands (Godfrey et al, 2009). In today’s society, consumers increasingly value the corporate image of a company. Good corporate image can virtually bring more competitive potential and potential profits to the enterprise. Meeting consumers' expectations on CSR can bring strategic advantages to enterprises (Kuokkanen & Sun, 2020). The most direct and rapid way to improve the image of enterprises in the hearts of consumers is undoubtedly to fulfill social responsibility and sustainable development.

However, the COVID-19 outbreak in 2019, Amazon’s business had been hard hit by the COVID-19 pandemic when it was booming globally. The world is struggling with the greatest public health emergency of its time, generating economic, social, and human crises (Guterres, 2020). According to WTO’s relevant files published in 2020, global trade in goods would be 32 percent lower than before, and the world’s average GDP would be 4 percent lower (Maliszewska et al., 2020). Amazon is no exception; its various business has been hit to varying degrees during the COVID-19 pandemic. According to Airports Council International (ACI)’s data, the COVID-19 epidemic has led to a 40% drop in global air traffic, which causes a lot of trouble to Amazon, a company that relies heavily on transportation. Not only the air transportation industry but also a series of links
including land transportation, customer pick-up and door-to-door delivery, etc., have been affected by the COVID-19 epidemic response measures (Gray, 2020). However, the COVID-19 epidemic has not only had a negative impact on Amazon, Cabrera-Sánchez et al (2020) demonstrate that the outbreak of the epidemic may greatly stimulate the development of the freight industry, and the e-commerce industry may become the biggest winner.

Therefore, for the Amazon corporate social responsibility and sustainable development of the research significance and the purpose is to help Amazon analysis enterprise internal measures where do well, where there are defects, to help them make better strategic measures of sustainable development and social responsibility, improve the image of the company in the consumers' mind, increase the competitive advantage in the market during the COVID-19. In addition, this study also wants to explore how Amazon overcomes the challenges of economic globalization to corporate social responsibility and sustainable development, how they solve these problems through corporate management and innovation, and how they combine the pursuit of profit and social responsibility. The problems discussed in this research can also be used for reference by other multinational companies in their sustainable development strategies.

As one of the world’s largest online retailers, Amazon has a global presence. According to Britannica Academic (2021), Amazon is a large internet-based enterprise that sells all kinds of goods online. In addition, it also sells network service business, including renting data storage and computing resources through the Internet, namely the so-called cloud computing. In 2012, it was estimated that 1% of Internet traffic in and out of North America came through Amazon data centers. From the above information, it can see the importance of Amazon, which is the symbol of e-commerce in the current market. So far, although many studies have investigated CSR information disclosure in different industries, or cross-industry and cross-industry in a certain country (Ahmad et al., 2009). Most CSR studies only analyze communication in one country, rather than from a global perspective (Bortree, 2014). But Amazon does not just operate in one country, it operates globally. In addition, most academic studies on social responsibility are macro and industry oriented. There are few specific studies on a company, especially for such a large multinational enterprise as Amazon. There seems to be no representative articles to refer to. As the market continues to develop, the strategic importance of CSR for both large and small enterprises will only continue to grow (Hill et al., 2014). Therefore, the research on Amazon’s CSR and CSD has an especially important reference role for other Internet enterprises. It is also a reflection and review of how Amazon, as a global corporate citizen, has devoted resources to developing corporate social responsibility and spreading its social responsibility and sustainable development around the world.

As such, the contribution of this study is threefold. First, as per our best knowledge, this is the first study which covers CSR and CSD activities reporting and disclosure via impact case study of Amazon. Second, this research provides an opportunity for the public to have a general understanding of Amazon’s corporate social responsibility and sustainable development measures, help readers to better understand the concepts of corporate social responsibility and sustainable development according to the actual situation of Amazon. Additionally, this study reviews how Amazon aligns its social and environmental activities with its business objectives and does its part as a global corporate citizen to help build a harmonious and sustainable society. Reflect on the measures that can be improved to help Amazon better establish a responsible corporate image. Third, this study compares the changes in non-financial performance of Amazon pre and during the COVID-19 pandemic.

The rest of the paper is organized as follows: section 2 presents the literature review on CSR, CSD and Amazon’s performance; section 3 explains the data and methodology...
which is followed by a discussion of the research results in section 4. Section 5 concludes the study.

2. Literature review

2.1. Development of CSR and CSD

According to the different definitions of CSR in different generations, the historical development of CSR can be roughly divided into three periods: the embryonic period of CSR before 1960, the foundation period from 1960 to 1980, and the empirical period of CSR after 1980. As for the origin of the CSR concept, Bert Spector (2008) holds that the roots of the current social responsibility movement can be traced back to 1945 to 1960, namely the early cold War. The term "corporate Social responsibility" was put forward by American economist Howard Bowen (1953) in his "Social Responsibilities of the Businessman".

Before 1960, the concept of corporate social responsibility was rarely discussed during this period, because enterprises in this period regarded the pursuit of profit as their only social responsibility. One and only social responsibility of business is to increase profits within the rules of the game (Friedman, 1970). In addition, Carroll and Shabana (2010) also noted in their article that Theodore Levitt's admonitions about "the dangers of social responsibility" were greatly affected during this period. Levitt (1958) argued that CSR is not the responsibility of corporations but the responsibility of governments, and the focus on CSR will weaken the profit motive, which is critical to business success. For now, Levitt's (1958) view is full of limitations of The Times. But this does not mean that corporate social responsibility has not developed in this era. Abrams (1951) proposed that the management of the company would become increasingly professional with the development of The Times. The company should not only consider profits, but also consider customers, employees, and the public. Abrams considered the impact of people on companies; he was one of the first people of his time to see the importance of corporate social responsibility. In addition, with the occurrence of various social movements and the publication of some works, the development of corporate social responsibility has been promoted. For instance, Howard Bowen's "Social Responsibilities of the Businessman" (1953). The civil rights movement, the environmental movement, the consumer rights movement and so on. These incidents, to some extent, push enterprises to make changes, and enterprises need to be responsible to society. In general, it has been argued that the core ideas of corporate social responsibility during this period included: the idea of managers as public trustees, the balance of competitive requirements for corporate resources, and the support of corporate philanthropy for public welfare (Frederick, 2006).

In terms of CSD of enterprises, the concept of sustainability has become a part of corporate social responsibility. Sustainable development refers to development that meets the needs of the present without compromising the ability of future generations to meet their own needs (United Nations World Commission on Environment, 1987). For an enterprise to fulfill its social responsibility, its business operations need to comply with the idea of sustainable development. In addition to pursuing profits and considering their own operating and financial conditions, enterprises also need to consider whether their business operations have caused adverse impacts on society and the environment. This is corporate sustainability. Since the 21st century, sustainability has become the focus of corporate social responsibility. Increased companies are choosing to publish annual sustainability reports to demonstrate their CSR efforts to the public.

2.2. CSR and corporate image in global context
Since the 1990s, with the deepening of globalization and the increasing number of multinational corporations, the pursuit of corporate social responsibility is no longer limited to a region or a country, but to the entire world. This makes it more difficult for businesses to operate. The sustainable strategy of enterprises is influenced by the politics, economy and culture of different countries and regions (Tang et al., 2015). CSR is faced with different legal and moral requirements in different countries and regions. This means that corporate sustainability strategies become more complex. Multinationals, in particular, face pressure from the public and corporate social responsibility advocate such as the United Nations, the World Economic Forum and Greenpeace. They need to think about integrating corporate social responsibility and sustainability with their global corporate citizenship and strengthening interaction with the values, traditions, and cultures of different countries. In addition, globalization has resulted in the corporate image of multinational enterprises no longer dependent on the evaluation of a single society and group. The importance of corporate image has been mentioned in the dissertation. Corporate image evaluation mainly comes from two aspects, the first is ordinary people, namely consumers. The second is organizations, institutions, and governments. Obviously, globalization makes it more difficult for multinational companies to meet the excitations of consumers in different societies, and too low expectations will reduce the corporate image of the company, which will directly affect the company’s CSR efforts in this region, ultimately cause serious economic consequences. In the eyes of governments, institutions, and organizations, in this era of global corporate citizenship, the economy is not the only issue that multinational corporations need to focus on. How to fulfill the responsibilities of a company, do what a corporate citizen should do, and contribute to the world and humanity. That is what governments, institutions and organizations are more concerned about.

In general, under the influence of globalization, everything is related, such as corporate social responsibility, corporate stainability, corporate image, corporate reputation, and corporate profits that stakeholders care most. Corporate image and corporate social responsibility are increasingly closely linked. Corporate image often reflects a company’s character or responsibility. Meanwhile, corporate social responsibility policies affect its reputation and corporate image in the eyes of stakeholders. Fuukawa et al. (2007) pointed out that corporate identity and CSR communication should be consistent. If the communication of corporate social responsibility is disconnected from the identity of the enterprise, the enterprise will present a false image in the eyes of the public. Corporate social responsibility should be regarded as an important part of corporate image management. Globalization has made all these factors that can affect corporate profits more vulnerable than ever. Although globalization has brought more development and opportunities to companies, it is undoubtedly huge challenge for corporate social responsibility and sustainability. Being able to overcome these challenges can be hugely beneficial to the company, and conversely, failing to do so can be hugely detrimental to the company too.

2.3 Critical analysis of CSR and Amazon Enterprise

Banerjee (2007) presents a critical point of view, questioning whether companies can pursue profits while simultaneously pursuing social responsibility, arguing that their ability to fulfill social responsibility is limited by shareholder value maximization. In fact, it has always been a controversial topic whether enterprises can achieve a win-win situation between profit and social responsibility. However, as mentioned in this dissertation, with the development of economic globalization, many enterprises have integrated sustainable development and corporate social responsibility into their strategic measures. The implementation of sustainable development and the fulfillment of corporate social responsibility is not only for the purpose of morality, but also for the better publicity of the enterprise and its development. Therefore, for Banerjee’s views and the contradictions existing in the academic world, this paper will focus on Amazon as the research
object, and solve the following research question:

Q1. How did Amazon achieve the balance between the profit generation and the CSR activities?

At the same time, in the era and background of the increasingly close global economy, the sustainable development of enterprises and corporate social responsibility activities are facing no small challenge. Idowu et al. (2017) pointed out that the challenge of sustainable development and corporate social responsibility of multinational corporations lie in the increasing uncertainty and instability of global financial resources and climate change. How to deal with these challenges is particularly important for many multinational enterprises. In times of crisis, such as the financial crisis, the legitimacy of corporate social responsibility strategy and operation has been challenged. Therefore, we developed the following research question:

Q2. How do Amazon, one of the world’s largest multinational enterprises, deal with the challenges brought by globalization?

In contrast to Banerjee (2007), Altenburger (2018) has argued that companies have made great progress in the discussion of social relations in recent years and demonstrated the growing influence of enterprise innovation management. Altenburger (2018) explained that resources, climate change and pollution would affect the business environment, structural cost and competitive advantage of enterprises. These problems lead to changes in the innovation process of enterprises. Enterprises gain competitive advantage by integrating stakeholders into their innovation process and considering the needs of society as a whole and sustainable development. So, the following research question is emerged:

Q3. What kind of innovation management does Amazon adopt to deal with these challenges caused by globalization?

3. Methodology

3.1. CSR development at Amazon

Before making a specific analysis of all aspects of Amazon’s CSR, it is necessary to know that Amazon’s reputation on CSR has not been exceptionally good in the past few years and it is often criticized. The Guardian (2012) published an article criticizing Amazon for its lack of social responsibility, saying that Amazon has a poor record in sustainable development and does not take into account its impact on society and the environment. Unless consumers protest, there is little hope of change. Amazon’s corporate social responsibility has been criticized in mainly three aspects. First of all, Amazon hasn’t released a sustainability report in the past few years. Sustainability reports include a sufficient amount of information provided by a company and all major issues related to the company and industry. Most of these reports are optional and provided by companies on a voluntary basis. Sustainability reporting is an opportunity to inform society and the public about the environmental, social and governmental regulatory impacts of a company’s business operations (Sethi et al., 2017). KPMG’s 2013 survey found that 93% of the top 250 companies in the Fortune Global Index publish some type of CSR report. Clearly, as globalization deepens and stakeholders put pressure on companies, while such reporting is optional, companies have an obligation to participate in the process. But Amazon seems to have been shirking their CSR and unwilling to disclose their CSR.
and sustainability measures to society and the public. As far as anyone knows, Amazon has taken little or no steps to measure, disclose or improve its performance when it comes to the environment, workplace issues, diversity, charitable giving, or political activity (The Guardian, 2012). As a result, the public and society cannot understand Amazon's social responsibility. Although Amazon is undoubtedly a good company, it also has a great negative impact on its reputation and corporate image. The public believes that bigger companies should take more responsibility, Amazon's behavior in the past few years not only failed to take more responsibility voluntarily, but even gave consumers the impression of a weak company that was afraid to take on these responsibilities voluntarily. Fortunately, Amazon did not ignore these criticisms, hiring CSR executives and publishing sustainability reports. Since then, they have continued to improve their efforts to play a good role as global corporate citizens.

Meanwhile, Amazon has also been criticized for climate change and environmental protection. In 2012, when climate Count, a non-profit group, rated 145 of the world's largest companies for their climate impact, Amazon was near the bottom, at 127th. In a report entitled "How Clean is Your Cloud?" in the United States, Amazon was rated F in three of the four categories, behind Yahoo (The Guardian, 2012). Like their refusal to disclose sustainability reports, Amazon in previous years refused to disclose its greenhouse gas emissions or climate strategy. It is clear that while other big companies are working to improve the environment and enact various environmental protection measures, our company Amazon is once again lagging behind. The good news is that Amazon's environmental efforts have been evident since 2016, when the company decided to reverse its CSR mistakes.

The last area that has been criticized by the public is the area of employee rights. Amazon has many employees and warehouses all over the world, and the problem of employees being affected by elevated temperature in warehouses has been widely criticized (Streitfeld, 2011). In 2011, The Morning Call investigated conditions at a Pennsylvania warehouse and found that workers were forced to endure heat in the warehouse and were told to work faster. In addition to those working in the warehouse, other employees were also treated unfairly, some were penalized for taking time off work, some were denied even the most basic protection for their health and other personal problems. They were unable to apply for enough time to recover. In such a highly stressful and stressful working environment, the physical and mental health of employees cannot be guaranteed. Amazon also seems to have a bad reputation with governments. They often fight fiercely with governments that try to impose sales taxes (The Guardian, 2012). Amazon also plays only a small role in the community's philanthropic efforts. This is completely out of proportion to their global economic activity and the size of their companies. In short, there is a huge gap between their philanthropic responsibilities and society's expectations.

To sum up, it can be seen that Amazon's previous efforts in corporate social responsibility and sustainable development are very poor. The year 2016 can be regarded as a turning point in Amazon's social responsibility development. Since 2016, Amazon has made great improvements in social responsibility and sustainable development. The following content of the paper will be studied from the two aspects of environment and society.

4. Results Discussion

4.1. Environmental aspects of Amazon

4.1.1. Climate change and Carbon Emissions

Due to the excessive demand for environmental resources and wood in the past few centuries, a large number of rainforests have disappeared from the earth. In recent years, global temperatures have been rising. How to avoid climate warming has become a
growing concern for all humankind. The main cause of global warming is not only the loss of forests, but also the increasing global carbon emissions. In theory, climate change or global average temperature rise is caused by carbon dioxide (Solomon et al., 2009). How to reduce carbon dioxide emissions has become a key part of the company’s sustainability strategy. It has been argued that addressing climate change requires achieving near-zero emissions (Matthews & Caldeira, 2008). Increasingly large companies are adopting a range of carbon dioxide emissions in response to climate change, reflecting their sustainability efforts.

When it comes to carbon emissions, Amazon has done an excellent job. In 2019, Amazon co-founded The Climate Pledge, pledging that they will achieve total zero CO2 emissions across their businesses by 2040. This is a challenging commitment and demonstrates Amazon’s commitment to improving the world’s climate. In addition, Amazon’s commitment to improving the global climate is divided into six parts: Renewable Energy, Shipment Zero, Net-Zero Carbon, Electric Delivery Vehicles, Right Now Climate Fund, Climate Pledge Fund (Amazon Sustainability 2020 Report). Over the past year, people have become more willing to shop online because of COVID-19. That makes Amazon’s business a lot bigger. To keep up with increased business and market demand, Amazon has increased floor space. It is encouraging that while Amazon has increased their floor space, their efforts in renewable energy have allowed them to achieve 65% renewable energy across their entire business in the past year, a substantial improvement from 42% in 2019 (Amazon Sustainability 2020 Report). Amazon became the world’s largest corporate buyer of renewable energy in 2020. And they have committed to running 100% of their operations on renewable energy by 2025.

Shipment is a major part of Amazon’s daily business operations. Amazon divides it into three parts, the packaging of goods, the storage of goods and the delivery of goods. In terms of Packaging, Amazon has adopted Frustration-Free Packaging (FFP) programs, meaning many products can already be delivered without additional Amazon boxes or packaging materials. In addition, they are developing new ways to offer customers package-free orders. This not only saves Amazon’s own costs, but also helps save wood resources and protect the global climate. For storage, Amazon uses 100% clean wind and solar energy to power its warehouses. Finally, in terms of shipping goods, Amazon has invested heavily in the electrification of its cars. Increased orders will be delivered by electric delivery vans, or by dedicated delivery personnel on foot or by bicycle. In 2020, Amazon delivered more than 20 million packages to customers in North America and Europe using electric vehicles (Amazon Sustainability 2020 Report). In addition, Amazon has used innovative technologies to improve transportation efficiency and set up more distribution stations to shorten delivery distances. In terms of shipping, which is the most polluting, shipping produces 1 billion tons of climate pollution per year -- equivalent to the entire country of Germany (Thomas, 2021). Fortunately, Amazon and several other large multinational companies have signed a pledge to use only zero-carbon-dioxide fuels to transport goods on ships by 2040. What’s more, Amazon has pledged to make 50 percent of its goods net zero-carbon by 2030.

In Net-Zero Carbon, Amazon’s Intensity metric quantifies Total Carbon Emissions, in grams of Carbon Dioxide Equivalent (COE), per dollar of gross merchandise sales (GMS). This metric helps assess Amazon’s performance from year to year, helps them achieve zero carbon emissions while maintaining business growth. The following figure show the Amazon’s carbon emissions from 2018-2020.
Figure 1: Carbon emissions and carbon intensity

Amazon’s Carbon Emission and Carbon intensity

Source: Amazon Sustainability Report, 2020

Figure 1 shows that although the carbon emissions of Amazon have been increasing since 2018, their overall carbon intensity has been decreasing. This shows that the Amazon’s carbon emissions over the past three years are becoming more scientific. The Climate Pledge Fund is Amazon’s effort to accelerate its Climate commitment by investing in companies that can help Amazon achieve its goal. The Climate Pledge Fund has an initial investment of $2 billion. The Climate Pledge Fund invests in companies across a range of industries, including transportation and logistics, new materials, renewable energy, and more. Amazon is reportedly backing new companies focused on low-carbon technologies, and it will invest in Resilient Power, CMC Machinery, and Infinium. Obviously, the products and services of these companies are conducive to Amazon’s transformation into a low carbon economy (Amazon, 2021). In addition to the three companies, Amazon has previously invested in eight companies that have some aspect or product that helps reduce carbon dioxide emissions.

The Right Now Climate Fund was founded by Amazon in 2019 to help restore and protect forests, wetlands, and grasslands around the world. Plants are known to help clean up carbon dioxide and prevent global warming. Protecting these natural areas is in part a way of reducing climate change and increasing carbon dioxide emissions. It can be found that Amazon has made many different efforts in global climate and carbon emissions. Globalization makes it more necessary for multinational companies to shoulder climate responsibilities. Amazon doesn’t just take responsibility; it makes the company sustainable through innovative technologies like electric delivery vans. Reducing the packaging of goods not only reflects the company’s efforts to pursue sustainability, but also reduces the company’s operating costs. Such as the investment in low-carbon technology companies and the pursuit of low-carbon economy as the company’s investment strategy. All of these reflect Amazon’s ability to balance profit and corporate social responsibility. Obviously, Amazon has done a good job in this aspect.
4.1.2. Water uses at Amazon

As serious as global warming is the global scarcity of water. Natural ecosystems are always interconnected, and the destruction of any resource will have a huge impact on other resources in the whole natural ecosystem. It has been argued that due to climate change, global drought frequency increases and global water resources are affected (Fisher et al, 2017). In addition to the natural causes of climate change, the pollution and waste of water resources caused by human activities is the most fundamental problem. Global water resources are affected by a series of complex factors, including urban and agricultural land use, hydropower and climate change (Hering et al., 2015). As a large company, Amazon consumes huge and necessary water resources in its daily business activities. How to improve the efficiency of using water resources and save water resources as much as possible is a difficult problem for Amazon before it completely finds a solution to replace water resources.

While it is difficult to completely replace water, Amazon is using its Amazon Web Services (AWS) to help calculate how to use water more efficiently. Amazon Web Services (AWS) is the leading public cloud platform (Beach et al., 2019). This Web services provides more than two hundred full-featured services. Millions of customers -- including the fastest growing startups, the largest corporations, and leading government agencies -- are using AWS to reduce costs, improve security, become more agile, and innovate faster (Amazon.com, 2020). In this way, AWS will develop different water use plans by assessing the different weather patterns in each region, the local water stocks, and the opportunities to protect drinking water sources. Evaluate various approaches to water use and adopt the most effective ones. Amazon has also taken a number of steps to conserve water in its daily operations. In the summer, when the weather is hot, they use direct evaporation of outside air to cool their data centers. When it is cold in the winter, Amazon lets cold air directly into the data center to help cool the data center. AWS has also developed water efficiency indicators that are installed in each infrastructure area requiring cooling to determine and monitor optimal water use in each AWS area. This water metric could help Amazon understand the long-term impact of its water use in order to improve efficiency as it grows its infrastructure and expands into new areas. It can be said that this unique cooling system helps Amazon greatly save water and energy for daily cooling of data centers. In addition, this method avoids direct use of local drinking water resources, and the water obtained by evaporating external air can be reused multiple times. As well as reducing the amount of water used by the company for day-to-day operations, AWS also provides a portion of the water to the community because the water obtained by evaporating outside air is not dirty and can be used for irrigation and other activities. Companies need a lot of electricity for their daily operations, traditional thermal power consumes a lot of water. Amazon uses renewable energy to meet the needs of its daily business, which not only reduces carbon emissions but also saves a lot of water. According to estimates, Amazon’s renewable energy generation saved about 480 billion liters of water in 2020, a huge number that could supply one million U.S. homes for a year or fill 190,000 Olympic-sized swimming pools (Amazon Sustainability 2020 Report).

4.1.3. Amazon’s circular economy

Circular economy is different from traditional economy, which only focuses on manufacturing, use and disposal. The circular economy, on the other hand, maintains the use of resources for as long as possible, extracting maximum value during use, and then recover and regenerate products and materials at the end of each useful life (Ghosh, 2020). Circular economy can help companies to minimize resource consumption through rational use of resources. It is an important means for companies to achieve sustainable development,
resource recycling and conservation. It can help companies cope with the challenges of globalization such as climate change, biodiversity loss and pollution. Amazon attaches foremost importance to the role of circular economy. Its circular economy initiatives are divided into four components: Packaging, Recycling, Product Donations and Amazon Second Chance. According to Amazon, they are working to reduce waste, increase recycling, and offer customers the option to reuse, repair, and recycle their products (Amazon Sustainability 2020 Report). In this way, the products that cannot be used and can only be turned into garbage can be reused, which reduces the emissions of garbage and is a low-carbon and environmental protection method.

On packaging, Amazon implements sustainable change measures throughout the packaging supply chain. Take a science-based approach that combines lab testing, machine learning, materials science, and more to reshape and simplify sustainable packaging options. In this way, they do their best to reduce packaging waste by providing customers with packages that are of the right size and can be recycled. For example, Frustration-Free Packaging (FFP) mentioned above. In addition, Amazon has improved its packaging materials. They reduce the weight of the packing materials, but make the packing stronger, preventing them from being damaged in transit. Amazon has also added information on packaging to inform customers of these improvements and provide guidance on how to recycle packaging materials (Amazon Sustainability 2020 Report). Through machine learning, different packaging plans can be made according to different orders of different customers to achieve the best packaging choice for distribution. This saves the use of materials. According to one estimate, this helped Amazon reduce the amount of plastic in device packaging by more than twenty-seven million in 2020, More than 97% of wood fiber packaging for all new Echo and Fire TV devices launched in 2020 comes from responsibly managed forests or recyclable resources (Amazon Sustainability 2020 Report).

4.1.4. Amazon’s Product Sustainability

Due to the rapid consumption of global resources, continuous climate change and increasingly serious environmental pollution, as well as the related growth of customer awareness, improving the sustainability of products has become a global trend, enterprises must consider whether their products are sustainable. According to Belz and Frank-Martin (2009), sustainable products have six characteristics, which are: Customer satisfaction, Dual focus, life-cycle orientation, Significant improvement, Continuous improvement, Competing offers. It can be seen that it is difficult to truly achieve the sustainability of products. In addition, the assessment of product sustainability is not a phase assessment. Comprehensive sustainability assessment techniques need to assess the sustainability performance of products throughout their life cycle (Shuaib et al., 2014).

Even though there are difficulties in product sustainability, Amazon still insists on taking measures for product sustainability. They do not just take sustainability measures at one stage of the product, but they implement sustainability from the purchasing of materials, the design of the product, the manufacturing of the product to the use of the customer. Amazon works hard to align their products with customer values and needs. While the definition of sustainable products varies across the industry, Amazon sets a high standard for their own products to be certified by professional bodies, they work with reputable external certification bodies, and they have their own set of environmentally friendly standards. All products will undergo these certifications. For example, all amazon household products are made in strict accordance with the relevant chemical policy, using chemicals that are safe for the home and the earth. All of Amazon’s food is sourced from third-party certified sustainable ingredients.

About Amazon’s clothing products. Amazon is working to reduce the environmental impact of its own-label clothing products by collaborating with suppliers to promote the use of sustainably produced fabrics and recyclable materials, including cotton, leather and
man-made cellulose. And finally, Amazon electronics, where they’re trying to integrate recyclable materials into a lot of Amazon electronics for later recycling. What is more, they have developed a low-power mode for electronic products, which can extend the life of the device and reduce the power consumption of the device. In addition to its product efforts, Amazon has also made a commitment to the materials used to make its products. The main materials involved are: Palm Oil, Cotton, Cellulosic Fibers, Recycled Fabrics, Leather, Product Labels and Recycled Materials (Amazon Sustainability 2020 Report). Amazon promises that all of these Materials will meet sustainable standards. Amazon is aware that it must also safeguard animal welfare in its supply chain, as some products are made using animals. They have zero tolerance for animal abuse and neglect. Amazon requires suppliers to support the five-framework drum of animal welfare, encouraging suppliers to continuously improve their animal welfare standards and practices, and work toward recognized animal welfare certification or industry guidelines that include welfare provisions.

Expect for sustainable products, Amazon also advocates sustainable shopping. Amazon’s sustainable shopping program gives customers the opportunity to buy more sustainable products. They can help customers find products that are better for the environment and society than equivalent products when shopping. The products are labeled “Climate Pledge Friendly,” which customers can search directly while shopping, and have additional sustainability information on their introductory pages. This project has had some success so far. As of June 2021, consumers have purchased more than 75,000 Climate Pledge Friendly products on Amazon’s website (Amazon Sustainability 2020 Report), this number is expected to increase as people become more aware of environmental protection.

4.1.5. The environmental impact of COVID-19

Due to the impact of COVID-19. Many regions and countries have enacted a series of quarantine and lockdown measures, which have dramatically changed people’s life behavior. For example, as mentioned above, people prefer to shop online rather than in supermarkets. Online shopping is an effective way to prevent the spread of COVID-19 by avoiding crowds. While COVID-19 has made people’s lives more inconvenient, it may be a good thing for the environment. An analysis by Sustainability scientists at Amazon has found that shopping online produces fewer carbon emissions than driving to the store. That is because a round trip by delivery truck is the equivalent of 100 families driving to the store and back. In addition, compared with the on-site shopping, the packaging size consumption of online shopping is much less than the shopping bag material consumption of store shopping. Carbon emissions per item are 43 percent lower, and smaller baskets can save even more. In this way, COVID-19 has even made a modest environmental contribution to reducing carbon emissions and saving materials.

4.2. Social aspects of Amazon

4.2.1. Employee rights and the impact of COVID-19

The UN Global Compact clearly requires companies to care about the rights of employees, respect their basic demands and provide them with various basic guarantees and a good working environment. In terms of rights, people are born free and equal (Brown et al., 2016). As the main administrative subject of an organization, employees usually represent the executive work force and need to do whatever is assigned to them by senior management (Tohidian et al., 2020). Meanwhile, the employee is also a healthy person whose demands should not be ignored by the company. If a company fails to protect its employees’ rights for a long time, its employees will be less motivated to work, which will affect the company’s long-term development. Therefore, employees are the foundation of the
company’s development. Only those companies that value their employees will have a more stable future.

Amazon attaches foremost importance to its employees in four aspects. The first is its investment in employees. Amazon claims that their investment in employees is aimed at attracting more diverse and innovative employees (Amazon Sustainability 2020 Report). Amazon will do its best to help employees develop their professional skills, provide them with the support, benefits, and opportunities they need to succeed, and help them better establish their career in Amazon. Amazon’s starting wage is $15 an hour in the United States, and salaries are high in other countries. In addition to high starting salaries, Amazon offers comprehensive, gender-neutral health benefits to its employees. More than 90 percent of their full and part-time employees in the United States are eligible for health benefits. They also provide telemedicine and free and confidential mental health counseling for employees and their families. Amazon also invests a lot in the education of its employees. It is reported that Amazon will pay the college tuition for 750,000 Employees in the United States to help them better fulfill their life goals by entering the university (Thomas, 2021).

The reason, though, is to retain staff at a time of industry-wide labor shortages. But Amazon is, after all, the biggest company willing to fund its employees’ education, after Walmart and Target. In 2019, Amazon committed $700 million to provide free or low-cost skills upgrading opportunities for 100,000 employees by 2025 (Amazon Sustainability 2020 Report). It is a good start. Amazon is stocking up on senior talent for areas that will continue to grow in the coming years, such as healthcare, cloud computing and machine learning. Amazon also attaches significant importance to the personal safety of employees. Amazon hopes to become the safest workplace on earth, and every employee of Amazon has the ownership to create a safe workplace. Amazon continually evaluates innovative technologies and learning opportunities to optimize how employees and leaders build the capacity to receive critical safety information and prepare for future challenges. Amazon has a strong security team that is responsible for solving complex security problems using a security science approach. Such as mechanical safety and forklift safety technology. Amazon has strict testing measures and will go through a series of professional evaluations to ensure that the equipment and machines are safe before they are put into use. Amazon also periodically reviews the standards with manufacturers and sellers during use. Furthermore, Amazon has committed $125 million to protect its employees from COVID-19. Because new employees are often injured at work due to their unfamiliarity with the job, Amazon also launched Working Well program, which focuses on physical and health education for new employees to help them adapt to their jobs as soon as possible. The project effectively reduced the accident rate.

The third aspect is to respect the diversity of employees, treat every employee fairly and tolerate the differences of employees. As Amazon has businesses all over the world, its customers come from different countries and regions, and they have different beliefs and cultures. With a diverse and inclusive workforce, Amazon can better serve customers around the world. These diverse perspectives also help companies think differently and in separate ways about how to build better products and services for their customers. Amazon understands that diversity, equity, and inclusion are cornerstones of their continued success and an important part of their corporate culture. Amazon has launched many short and long-term programs and strategies across key aspects of their business to increase the diversity and representation of their employees. Amazon is trying to increase the number of different races within the company. Amazon wants everyone at the company to focus on diversity, equity, and inclusion to build a truly inclusive and fair workplace. Amazon is also genuinely concerned about LGBTQIA rights. They offer transgender inclusive health benefits to LGBTQIA who work at Amazon. Amazon’s efforts have been...
recognized, they have scored 100% in the Human Rights Campaign’s Corporate Equality Index for LGBTQ Rights for three consecutive years (Amazon Sustainability 2020 Report).

The final aspect of Amazon’s emphasis on employees is that they provide several channels for employees to communicate directly with leadership. They want to have honest and open communication with their employees. Suggestions from employees can help companies improve their work experience. First, Amazon encourages any employee to discuss directly with their manager, HR team, or anyone on their leadership team. Second, they provide a forum for employees to ask questions and suggestions directly to the leadership on a daily basis, and the leadership answers those questions directly on the forum. The emergence of this forum indeed helps employees to express their ideas more directly. According to statistics, in 2020, Amazon’s leadership team received and responded to more than 245,000 comments, questions and suggestions raised on the forum (Amazon Sustainability 2020 Report). Amazon has also developed an employee feedback system called Connections, which sends employees daily questions that they can choose to answer or not via their computers or mobile phones. The questions answered by each person will be summarized and reported to the manager, who can timely find the dissatisfaction or suggestions of employees through these summarized questions and make corrections. In addition to the three ways mentioned above, Amazon also provides many ways for employees to communicate with leaders. For details, please refer to the Amazon Sustainability 2020 Report. The reason why Amazon provides so many ways for employees to communicate with the leadership is that they hope their employees can put forward their own suggestions or problems in a timely manner, so as to safeguard their rights and help the company grow better.

Although through analysis, it can be found that Amazon does attach foremost importance to their employee rights. But there is still criticism in society. This shows that there is room for improvement and that Amazon is not doing a perfect job of protecting its employees’ rights. As mentioned above, Amazon offers high starting salaries for its employees. But only direct Amazon employees receive the same benefits, not those employed by third-party companies. Now a law firm is reportedly looking to launch a class action against the rights of Amazon delivery drivers. The drivers were hired by Amazon through third-party delivery companies, they did not enjoy the same rights as Amazon employees. These drivers are classed as self-employed, which means they are not eligible for the minimum wage and holiday pay (BBC News, 2021). Amazon should pay attention to the rights of its employees from third-party companies and ensure that they are treated equally with other employees, which is in line with Amazon’s corporate culture of diversity, equity, and inclusion.

Besides, due to the global impact of COVID-19, the health and safety of employees must also be taken more seriously. While Amazon says it has made more than 150 process improvements and invested more than $11.5 billion in COVID-19 related initiatives, measures to improve employee safety, such as personal protective equipment and enhanced facility cleaning, to ensure the safety of employees. But this is obviously not enough for the company as a whole with a large number of employees. As early as last year, Amazon was criticized by employees around the world for its inadequate response to the coronavirus pandemic. One worker revealed that their employees used masks for days on end, instead of wearing new masks every day. What is more, workers also organized strikes to protest Amazon’s inadequate measures to protect employees (BBC News, 2021). This year, Amazon was sued by prosecutors in New York for its inadequate response to COVID-19 (BBC News, 2021). Obviously, there are many shortcomings in Amazon’s epidemic prevention measures. They seem unable to find a particularly effective way to help every employee to better protect themselves from the virus. Amazon still has a long way to go in epidemic prevention. Amazon needs to learn lessons as soon as possible, sum
up its experience, and give more satisfactory feedback to its employees and society on epidemic prevention.

4.2.2. The union issues

Another area of criticism has been Amazon's treatment of its employees' attempts to unionize. Amazon warehouse staff have been working more due to COVID-19, putting many employees under intense pressure to keep supplying the goods that many people ordered during the lockdown. Many workers complain of physical discomfort caused by standing in the same position for lengthy periods of time. In addition, the repetitive tasks clearly cause a certain amount of psychological stress. As customer orders increased, workers' shifts and holidays were cut back. Thus, workers at a warehouse in Bessemer, Alabama, were the first to ask for a union, which, if successful, would be Amazon's first in America. The workers wanted better working conditions and more rest time through the union.

Unfortunately, in the end they failed, the union was not formed. Workers at the Bessemer warehouse in Alabama voted 1,798 to 738 against the plan (BBC News, 2021). The union said it would contest the result. Apparently, Amazon was questioned about its right to interfere with the free and fair vote of its employees during the voting period. Indeed, it is not a fair fight. Amazon has more money, more access to workers and uses anxiety and uncertainty to get them to vote no. The allegations against Amazon for trying to disrupt the union vote include it altered a traffic-light system outside the warehouse, to give union officials less time to leaflet workers. The company used text messages, posters, and signs to encourage workers to oppose unionization. The company posted anti-union ads on social platforms, but these ads were later removed (Wakefield, 2021). The failure of the union movement at the Bessemer Warehouse in Alabama greatly encouraged workers in other areas to start union movements. More than 2,000 Amazon warehouse workers in New York reportedly want to vote to unionize (BBC News, 2021). In the UK, the Unite Union said Amazon workers could be unionized in the UK by law (BBC News, 2021). And while the union movement failed, it did make Amazon rethink its past practices. Amazon's boss, Jeff Bezos, also said that defeating the unions took no comfort to him and that the company needed to do better for its employees (BBC News, 2021).

Whether unions succeed may not be the point. In fact, the union issues reflect that employees' rights are not taken seriously enough by the company. If Amazon wants to truly solve this problem and save its reputation, it should listen more to its employees. Give employees more rest time during the pandemic and adjust workers' shift schedules to make them work less grueling. As mentioned above, companies have many ways for employees to communicate with leadership. But the leadership did not pay attention to these demands in the beginning, otherwise no employees would have wanted to establish a union to express their demands. Amazon should learn a lesson from the labor union movement, adjust their working system in time, give more care to warehouse staff and pay attention to the mental health of employees.

4.2.3. Supply chain of Amazon

Except for its own requirements, Amazon also has a set of perfect standards for the selection of supply chain. They want to help suppliers establish working environments that provide safety and respect for human rights. Amazon is committed to respecting and supporting the UN Guiding Principles on Business and Human Rights, the UN Universal Declaration of Human Rights, the Core Conventions of the ILO and the ILO Declaration on Fundamental Principles and Rights at Work (Amazon Sustainability 2020 Report). Amazon's supply chain standards are based on inclusiveness, continuous improvement, and accountability. To work with Amazon, suppliers must comply with these standards.
Amazon evaluates its suppliers in four main categories: 1) labor, 2) health and safety, 3) environment, and 4) ethics. Suppliers should first ensure the transparency of the supply chain, so that customers and external stakeholders can understand the source of Amazon products, monitor whether the whole supply chain violates human rights or damages nature. Besides, Amazon has invited stakeholders and industry experts to regularly assess whether there are security risks in its supply chain. The evaluation methods mainly include worker interview, management interview, document review and site visit, etc. This ensures the safety of supply chain employees.

4.2.4. Contribution of Amazon to the community

Amazon also contributes a lot to the community. As mentioned above, they use AWS to provide part of the community’s water, they use circular economy and community cooperation to improve the problem of roadside litter. Amazon is also doing a lot of other things to help make the community better. One of the most important is the number of jobs it has provided to the community during COVID. Employees in many industries have lost their jobs due to COVID-19’s impact on the entire society and economy. But Amazon, an online retailer, is getting more orders. Amazon is desperate for more staff to keep up with growing customer orders. Amazon is reportedly hiring 75,000 people in the US and Canada at an average starting salary of $17 per hour (BBC News, 2021). Meanwhile, Amazon plans to open more warehouses in the north and south of the UK and will employ 10,000 UK workers (BBC News, 2021). These recruitment plans will reduce the social unemployment rate to a certain extent and help maintain the stability of the community.

In terms of community housing, Amazon strives to ensure that everyone in the community has an affordable house. Amazon has a number of programs that collaborate with communities to help them own a house. For instance, in January, they launched their Housing Equity Fund, committing more than $2 billion, preserve and build more than 20,000 affordable housing units in three employee-intensive communities (Puget Sound, Washington) (Amazon Sustainability 2020 Report). In addition to housing, Amazon is committed to ensuring that every family in the community has access to food and basic needs. In 2020, Amazon provided in-kind and cash donations to communities equivalent to more than 20 million meals and 13 million necessities (Amazon Sustainability 2020 Report). This is just one of many initiatives. Amazon also founded Whole Foods Market to help alleviate poverty in communities around the world. For community emergencies, such as natural disasters, Amazon uses its AWS to help governments and charitable organizations and deliver donated goods to affected communities in a timely manner.

5. Conclusions

Through the research on Amazon’s corporate social responsibility and corporate sustainability, the author finds that Amazon’s environmental measures are generally good. Amazon takes into account some of the most serious issues facing global enterprises today, including carbon emissions and the conservation and utilization of resources. Amazon also does an excellent job of integrating circular economy into their daily operations and sustainability into their products. It can be said that in this respect, Amazon has achieved the pursuit of profits while taking into account corporate social responsibility. Various environmental problems brought about by globalization are also solved by Amazon through innovative technologies, such as evaporating air and AWS to help solve the problem of water use. But on the social front, Amazon has some small problems. The social challenges of globalization are clearly overwhelming Amazon. Although Amazon has made a lot of efforts and attempts in terms of human rights and employee welfare, there are still areas for improvement through research. This may be due to the severe impact of
COVID-19 in the last two years. The large number of employees makes it difficult to guarantee the rights of every employee. The authors have reason to believe that Amazon can learn lessons from this outbreak and do a better job of protecting employees’ rights in the future. In addition, Amazon’s measures on its supply chain reflect that as a mature large enterprise, Amazon can well combine the pursuit of profits with the fulfillment of corporate social responsibility. Amazon’s contribution to the community reflects that as a global corporate citizen, they are truly working to make society a better place for all humankind.

However, this study has some limitations. First of all, this research only discusses the case of Amazon. Although it can be used for reference by other multinational enterprises, different enterprises have different internal and external environments, such as corporate policies, social requirements, and industry differences. As a result, this paper only applies to Amazon and is not representative. In addition, there are some limitations in the information collection. A large part of the information comes from the official website of Amazon, which means that they may conceal reports unfavorable to their own enterprises. Thus, the authors made up for the criticism by collecting reports on BBC News. For future research, it may be possible to start with time series or panel data. In addition, semi-structured interviews or in-depth case study analysis could be value added in business performance and entrepreneurship literature.

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Appendix A

“Amazon Sustainability 2020 Report” [online] Available at:

Download Amazon’s 2020 Sustainability Report (aboutamazon.com)
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