

# ESG Checklist for Web3 Startups



## **ESG Checklist for Web3 Startups**

**Please check the box if your startup fulfills any of the statements.**

### **Environmental**

- ☐ Utilizes or migrates to low-energy consumption blockchain technologies and protocols (e.g., proof-of-stake vs. proof-of-work).
- ☐ Develops decentralized platforms that facilitate the trading of carbon credits or tokens, making it easier for individuals and companies to offset their carbon footprint.
- ☐ Designs products and services that minimize environmental impact.
- ☐ Utilizes renewable energy sources for operations.
- ☐ Creates blockchain-based supply chain solutions that provide transparent tracking of goods from origin to consumer, ensuring ethical sourcing and reducing environmental impact.
- ☐ Implements strategies to reduce the environmental impact of NFT minting and trading.
- ☐ Commits to recycling and minimizing electronic and operational waste.
- ☐ Adopts green practices in office environments.
- ☐ Develops decentralized platforms that facilitate the trading of carbon credits or tokens, making it easier for individuals and companies to offset their carbon footprint.

### **Social**

- ☐ Engages in or supports initiatives aimed at educating the public and policymakers about the benefits and challenges of Web3 technologies in society.
- ☐ Ensures financial inclusion by offering decentralized financial services that are accessible to all.
- ☐ Has a policy to promote diversity in hiring, promotion, and team composition.
- ☐ Engages with the community in a responsible and supportive manner.
- ☐ Provides tools and platforms for community-driven projects, social causes, or charity.
- ☐ Maintains high standards of security and user protection, especially in decentralized systems.
- ☐ Has a multinational team.
- ☐ Uses DAOs (Decentralized Autonomous Organizations) to give communities a voice in decision-making processes, ensuring fair and transparent governance.
- ☐ Offers fair labor practices, competitive benefits, and a healthy work environment.
- ☐ Works towards reducing the digital divide and making Web3 technologies accessible to diversified communities.

- ☐ Provides opportunities for employee growth and development.

### **Governance**

- ☐ Develops solutions that improve AML and KYC processes while respecting privacy, leveraging blockchain's transparency for secure and compliant transactions.
- ☐ Complies with all relevant legal and regulatory requirements.
- ☐ Enhances personal data control and privacy through decentralized identity solutions, giving users ownership and control over their data.
- ☐ If it is used, ensures smart contracts are audited, open-source, and transparent, promoting trust and security.
- ☐ Practices transparency in business operations and tokenomics.
- ☐ Designs tokenomics with fairness, sustainability, and long-term value creation in mind, avoiding speculative and harmful practices.
- ☐ Embraces decentralized governance models for community participation.
- ☐ Incorporates stakeholder feedback into decision-making processes.
- ☐ Has the capability of assessing and reporting its ESG commitments when it is demanded.

