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MAPPING ISO 26000 TO DAO GOVERNANCE & THE SUSTAINABLE DEVELOPMENT GOALS

BLOCKSTAND REPORT

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Contents

Preface.....	3
Glossary of Key Terms	4
1). Core Concepts and Technologies.....	4
2). ISO 26000 and Standards Terminology	5
3). Regulatory and Institutional Frameworks	5
Chapter 1 – Introduction.....	6
1.1 Context and Importance	7
1.2 Report Purpose.....	8
1.3 Methodology	9
Chapter 2 – ISO 26000 and Core Principles for DAO Governance.....	10
2.1 Overview of ISO 26000.....	10
2.2 The Seven Core Subjects of ISO 26000	10
2.3 Adapting ISO 26000 for DAOs	12
Chapter 3 – DAO Application Matrix: ISO 26000 Principles in Practice	13
3.1 Mapping ISO 26000 to DAO Governance and UN SDGs	14
3.2 Summary Analysis	15
Chapter 4 – Traditional Corporate Governance vs DAO Governance	16
4.1 Traditional Corporate Governance: Overview and Limitations	17
4.2 DAO Governance: A Paradigm Shift	17
4.3 Comparison Table: Traditional vs DAO Governance.....	18
4.4 ISO 26000 as a Bridge Between Both Models.....	19

Chapter 5 – Cross-Standard Integration for DAO Governance	20
5.1 ISO/TS 23635:2022 – Governance of Distributed Ledger Technologies.....	21
5.2 ISO/TS 26030:2019 – Social Responsibility in Sectoral Contexts	22
5.3 ISO-Based Interoperability: A Triangulated Framework	23
Chapter 6 – DAO Governance for SDG Localization and Global Coordination	25
6.1 SDG Localization Through DAO Infrastructure	26
6.2 SDG 12 as a Central Pillar: Rethinking Our Relationship With “Stuff”	27
6.3 The SCOOP Project: Decentralized Cooperation Through Reputation.....	27
6.4 Catalyst 2030: Aligning SDG Acceleration With DAO Design	28
6.5 World Economic Forum DAO Insights	28
6.6 Mapping ISO 26000 to SDGs via DAO Governance.....	29
6.7 Real-World DAO Case Studies, Mapping ISO 26000 and SDG Alignment.....	32
Chapter 7 – Conclusion and Roadmap for Standardized DAO Governance	35
7.1 Conclusion	36
7.2 Recommendations: Roadmap for Implementation	37
7.3 Final Reflections: DAOs as Ethical Civic Infrastructure	38

Mapping ISO 26000 to DAO Governance & UN SDGs

Preface

The rapid evolution of Decentralized Autonomous Organizations (DAOs) marks a profound shift in how societies coordinate, govern, and allocate resources. By leveraging blockchain infrastructure and smart contract automation, DAOs challenge traditional models of hierarchy and control, replacing them with community-driven, transparent, and programmable systems of governance. However, with this transformation comes a new set of challenges, chief among them, the absence of universally recognized standards for ethical conduct, legal clarity, social responsibility, and sustainability.

This report “Mapping ISO 26000 to DAO Governance & UN SDGs” emerges at a critical moment. As global institutions, regulators, and innovators seek to formalize governance models for decentralized systems, the need for principled, interoperable frameworks is more urgent than ever. DAOs, while technically decentralized, must still demonstrate legitimacy, trustworthiness, and alignment with international norms if they are to scale sustainably and be integrated into public and institutional infrastructures.

The International Standard ISO 26000:2010, which outlines guidance on social responsibility, provides a time-tested and globally recognized foundation for addressing this gap. It articulates core principles, such as transparency, stakeholder engagement, ethical behaviour, and respect for human rights, that are not only compatible with DAO architectures but essential to their long-term credibility. This report further contextualizes ISO 26000 within the emerging DAO landscape by incorporating relevant technical guidance from ISO/TS 23635:2022 (blockchain governance) and ISO/TS 26030:2019 (sectoral sustainability), while aligning DAO operational features with the United Nations (UN) Sustainable Development Goals (SDGs).

This work builds upon earlier research presented in the Blockstand 2024 initiative and contributes directly to the current efforts within ISO TC307/WG5, where the development of formal DAO governance standards is underway. It responds to the growing demand for actionable, modular frameworks that can guide DAOs toward responsible innovation, regulatory alignment, and measurable social impact.

What follows is both a blueprint and a bridge: a detailed mapping of ethical principles to DAO structures, and a call to harmonize decentralized innovation with the values and responsibilities that define just, inclusive, and sustainable governance.

Glossary of Key Terms

1). Core Concepts and Technologies

DAO (Decentralized Autonomous Organization):

A blockchain-based organization governed by smart contracts and community-driven decision-making rather than centralized management. DAOs facilitate transparent, automated governance using programmable rules encoded on distributed ledgers.

DPP (Digital Product Passport):

A digital record containing verifiable information about a product's origin, materials, sustainability, and lifecycle. DPPs promote transparency, traceability, and circular economy practices, often used in ReFi and supply chain DAOs.

ESG (Environmental, Social, and Governance):

A framework used to evaluate the ethical and sustainability performance of organizations. ESG metrics assess how entities manage environmental impact, social responsibility, and governance practices.

Lazy Consensus:

A governance mechanism in which a proposal is considered accepted unless objections are raised. It reduces decision-making fatigue and encourages agile coordination while preserving community oversight.

MACI (Minimum Anti-Collusion Infrastructure):

A privacy-preserving voting system that ensures confidentiality and resistance to bribery or coercion. Used in DAOs to strengthen fair and secure decision-making.

ReFi (Regenerative Finance):

An emerging financial paradigm that prioritizes positive ecological and social impact. ReFi leverages blockchain to fund carbon removal, biodiversity, and sustainable development initiatives, often through DAO structures.

SSI (Self-Sovereign Identity):

A decentralized identity model where individuals own and control their digital identities without reliance on centralized authorities. SSI enables private, secure, and verifiable participation in DAO governance.

2). ISO 26000 and Standards Terminology

Core Subject:

A thematic area within ISO 26000 that organizations must address to be socially responsible. There are seven: Organizational Governance, Human Rights, Labor Practices, Environment, Fair Operating Practices, Consumer Issues, and Community Involvement & Development.

Materiality:

The process of determining which issues are most significant to an organization and its stakeholders. In social responsibility, materiality ensures that strategic decisions reflect ethical priorities and social impacts.

Stakeholder Engagement:

A systematic approach to identifying, communicating with, and involving those affected by or capable of affecting an organization's decisions. It is central to the implementation of ISO 26000 principles.

3). Regulatory and Institutional Frameworks

EBSI (European Blockchain Services Infrastructure):

An initiative by the European Commission to establish a cross-border, public-sector blockchain infrastructure. EBSI aims to support trusted digital services, including identity, education credentials, and social security.

FATF (Financial Action Task Force):

An intergovernmental body that sets international standards for anti-money laundering (AML) and combating the financing of terrorism (CFT). FATF guidelines apply to DAOs engaging in financial services.

MiCA (Markets in Crypto-Assets Regulation):

A regulatory framework by the European Union to harmonize crypto-asset laws across member states. MiCA introduces licensing requirements, consumer protections, and disclosure obligations for crypto-asset service providers, including DAOs.

Chapter 1 – Introduction

1.1 Context and Importance

Decentralized Autonomous Organizations (DAOs) represent a paradigm shift in organizational governance. By leveraging blockchain technology, smart contracts, and community-driven coordination, DAOs enable new forms of decision-making that are transparent, borderless, and programmable. These structures are rapidly redefining how resources are managed, policies enacted, and trust is established in digital and real-world systems alike.

However, as DAOs scale in influence and adoption, critical questions arise: How can they ensure legitimacy, accountability, and ethical conduct in the absence of central authorities? How can they align with global sustainability objectives and responsible governance norms? These questions are particularly urgent given the growing impact of DAOs on sectors such as finance, climate action, open-source development, and civic infrastructure.

To answer these questions, this report applies **ISO 26000**, the international standard for social responsibility, as a guiding framework for DAO governance. Published in 2010 and developed by a global multi-stakeholder community, ISO 26000 defines a comprehensive set of principles for ethical behavior, stakeholder engagement, and sustainability in all types of organizations. Although originally written for traditional institutions, its principles are deeply relevant for the next generation of decentralized systems.

Complementing this framework are two additional standards:

- ISO/TS 23635:2022, which provides governance guidelines for blockchain and distributed ledger technologies (DLT), and
- ISO/TS 26030:2019, which tailors social responsibility to specific sectors, offering a useful lens for DAOs operating in real-world assets (RWAs), regenerative finance (ReFi), and sustainable value chains.

Together, these standards offer a foundation to design DAO governance architectures that are ethical, inclusive, transparent, and sustainable.

Moreover, the report aligns DAO governance strategies with the United Nations Sustainable Development Goals (SDGs). The 17 SDGs, adopted by all UN Member States in 2015, serve as a global blueprint for addressing poverty, inequality, environmental

degradation, institutional transparency, and sustainable development by 2030. DAOs are uniquely positioned to operationalize many of these goals due to their programmable, permissionless, and collaborative nature. From transparent treasury management (SDG 16) to regenerative economic models (SDG 13), DAOs can embody the principles of sustainability and justice at scale.

1.2 Report Purpose

This report offers a structured pathway to align DAOs with ISO 26000 principles and the UN SDGs, ensuring decentralized systems operate in accordance with internationally recognized standards of governance and responsibility.

It responds to four core gaps identified in previous DAO governance research:

- Lack of standardized frameworks for social responsibility
- Regulatory ambiguity across jurisdictions
- Inadequate stakeholder accountability
- Fragmented efforts toward sustainability and SDG alignment

By addressing these gaps, this report aims to:

- Map ISO 26000's seven core subjects of social responsibility to DAO governance needs
- Present DAO-aligned interpretations of ISO/TS 23635 and ISO/TS 26030
- Translate these principles into technical, social, and operational modules for DAO design
- Connect DAO governance patterns to specific SDGs, emphasizing localization, transparency, and equitable participation
- Provide practical implementation strategies and a roadmap for adoption and standardization

1.3 Methodology

The findings and frameworks in this report are based on a comprehensive and interdisciplinary methodology, including:

- Literature review of ISO standards (ISO 26000:2010, ISO/TS 23635:2022, ISO/TS 26030:2019)
- Alignment analysis between ISO principles and DAO design patterns
- Mapping of DAO case studies (e.g., Gitcoin, KlimaDAO, UkraineDAO, MolochDAO, MakerDAO)
- Integration of SDG localization frameworks (UNDP, Catalyst 2030, EU SDG Monitoring, SCOOP)
- Application of smart contract governance tools (e.g., Gnosis Safe, Polygon ID, MACI, Kleros, Toucan Protocol)
- Cross-referencing with regulatory trends (e.g., MiCA, FATF, EU Digital Decade)

This multi-sourced approach ensures that the report provides not only theoretical rigor but also actionable pathways for DAOs seeking compliance, credibility, and global impact.

Chapter 2 – ISO 26000 and Core Principles for DAO Governance

2.1 Overview of ISO 26000

ISO 26000 is the international guidance standard for social responsibility, published by the International Organization for Standardization in 2010. Unlike certifiable management systems such as ISO 9001 or ISO 14001, ISO 26000 is a voluntary, non-binding framework designed to help all types of organizations integrate ethical governance, stakeholder engagement, and sustainable development into their core operations.

Developed through a rigorous global multi-stakeholder process involving experts from over 90 countries and 40 international organizations, ISO 26000 is unique in its breadth and legitimacy. It harmonizes global social responsibility concepts from the United Nations, OECD, ILO, and UN Global Compact, among others. Its purpose is to promote trust, accountability, and long-term value creation by embedding responsible behaviour into organizational systems.

Before the ESG (Environmental, Social, Governance) movement took centre stage, ISO 26000 served as the cornerstone for Corporate Social Responsibility (CSR) frameworks. It established one of the first global standards for non-financial disclosure, ethics-driven governance, and responsible operations. As ESG matures, ISO 26000 continues to offer the ethical bedrock upon which sustainability metrics and digital accountability frameworks are built.

For DAOs, whose operational logic is encoded in smart contracts rather than boardrooms, ISO 26000 provides a universal ethical compass. It offers the principles and guidelines necessary to construct decentralized systems that are not just efficient and innovative, but also equitable and socially aligned.

2.2 The Seven Core Subjects of ISO 26000



Fig 1: Seven Core Principles of ISO 26000

At the heart of ISO 26000 are seven core subjects where social responsibility must be implemented. Each subject defines specific themes and actionable areas for organizations, and by extension, DAOs, to adopt responsible practices.

Table 1. ISO 26000 Core Subjects and Their Key Themes of Social Responsibility

Core Subject	Key Themes
1. Organizational Governance	Ethical leadership, stakeholder engagement, transparency, inclusive decision-making, systems of accountability
2. Human Rights	Equal participation, non-discrimination, privacy, protection from harm, freedom of association

Core Subject	Key Themes
3. Labor Practices	Fair compensation, safe working conditions, inclusive hiring, professional development, conflict prevention
4. The Environment	Resource efficiency, pollution reduction, biodiversity protection, climate adaptation, sustainable technologies
5. Fair Operating Practices	Anti-corruption, responsible lobbying, respect for law, transparency in business conduct, inclusive access to operations
6. Consumer Issues	Product safety, data protection, responsible marketing, redress mechanisms, transparent communication
7. Community Involvement & Development	Social investment, partnerships with civil society, educational access, community-based resource allocation, local economic empowerment

These principles are holistic, interdependent, and non-hierarchical, each is essential to achieving balanced and credible organizational behaviour. When implemented collectively, they enable organizations to meet both internal governance standards and external societal expectations.

2.3 Adapting ISO 26000 for DAOs

DAOs differ fundamentally from traditional organizations. They lack legal personality in many jurisdictions, operate through code-bound rules, and are often fluid in membership and purpose. Despite this, the ethical obligations defined by ISO 26000 are entirely applicable, and arguably, more essential, in the decentralized context.

By integrating ISO 26000, DAOs can:

- Transition from experimental communities to institutional-grade infrastructures
- Mitigate risks of plutocracy, exploitation, and governance capture
- Build trust with regulators, users, and contributors
- Align on-chain governance with global ethical and sustainability standards

The next chapter presents a detailed DAO Application Matrix, mapping each ISO 26000 principle to DAO practices, technical implementations, corresponding SDGs, and governance challenges addressed.

Chapter 3 – DAO Application Matrix: ISO 26000 Principles in Practice

This chapter presents a detailed matrix mapping the seven core subjects of ISO 26000 to actionable DAO governance features, aligned with specific UN Sustainable Development Goals (SDGs) and directly addressing common governance challenges in decentralized systems.

The aim is to operationalize social responsibility within DAOs, making these ethical principles programmable, transparent, and measurable in on-chain environments.

3.1 Table 2: Mapping ISO 26000 to DAO Governance and UN SDGs

ISO 26000 Core Subject	DAO Governance Application	Aligned SDGs	DAO Governance Challenge Addressed
1. Organizational Governance	On-chain treasury dashboards, ESG charters, role-based voting systems, automated audits	SDG 16 (Institutions), SDG 17 (Partnerships)	Centralized bias, low transparency, unclear roles
2. Human Rights	Self-sovereign identity (SSI), multilingual governance portals, privacy-preserving voting (ZKPs)	SDG 5 (Gender), SDG 10 (Reduced Inequality)	Exclusion, discrimination, lack of accessibility
3. Labor Practices	Token-based compensation, decentralized contributor codes, safety protocols, open bounties	SDG 8 (Decent Work), SDG 3 (Health)	Informal labor, undefined roles, unsafe or toxic community practices
4. The Environment	Treasury allocations for climate projects, carbon tracking tools, regenerative finance integration	SDG 12 (Consumption), SDG 13 (Climate), SDG 15	Environmental neglect, unsustainable treasury use

ISO 26000 Core Subject	DAO Governance Application	Aligned SDGs	DAO Governance Challenge Addressed
5. Fair Operating Practices	Governance reputation systems, on-chain audit logs, quadratic voting, treasury abuse detection	SDG 16 (Justice), SDG 9 (Infrastructure)	Plutocracy, manipulation, corruption, lack of auditability
6. Consumer Issues	Consent-based data collection, transparent token utility disclosures, decentralized dispute resolution (e.g., Kleros, Aragon Court)	SDG 9 (Innovation), SDG 12 (Sustainable Consumption)	Low trust, no recourse for users, opaque data practices
7. Community Involvement & Development	Quadratic funding, participatory grantmaking, DAO coalitions for SDG impact, community DAO proposals	SDG 11 (Sustainable Cities), SDG 17 (Partnerships)	Weak civic engagement, low local relevance, lack of legitimacy

3.2 Summary Analysis

The matrix reveals that DAOs can directly contribute to at least eight SDGs by aligning ISO 26000 principles with core operational mechanisms:

- **SDG 16** (Peace, Justice & Strong Institutions): through transparent, programmable governance
- **SDG 17** (Partnerships for the Goals): via decentralized collaborations across jurisdictions
- **SDG 10** (Reduced Inequality): by opening access through SSI, anti-plutocracy voting, and multilingual UX
- **SDG 8** (Decent Work): through fair token-based labour models and contributor protections
- **SDG 9** (Industry, Innovation): by building decentralized infrastructure for dispute resolution and trust
- **SDG 13** (Climate Action) and **SDG 12** (Responsible Consumption): via ReFi, carbon tools, and ESG treasuries

- **SDG 11** (Sustainable Cities): through DAO-enabled public goods funding and urban impact governance

This alignment transforms DAOs from merely technological experiments into civic infrastructures capable of addressing global challenges through programmable ethics.

In the next chapter, we will compare this DAO governance model to traditional corporate governance, illustrating how ISO 26000 principles offer both contrast and continuity between centralized and decentralized systems.

Chapter 4 – Traditional Corporate Governance vs DAO Governance

4.1 Traditional Corporate Governance: Overview and Limitations

Traditional corporate governance is structured around hierarchical models, where decision-making power is concentrated in a board of directors, executives, and shareholders. These entities operate under national legal systems, adhere to regulatory reporting standards, and are subject to internal audits and external oversight. The system offers stability and compliance mechanisms but often at the expense of transparency, responsiveness, and inclusivity.

Key Features of Traditional Governance:

- Centralized authority over strategy, budgets, and policy
- Periodic financial disclosure and annual shareholder meetings
- External audits and regulatory enforcement for accountability
- Limited stakeholder engagement beyond major shareholders
- Hierarchies of control, often resistant to rapid innovation

While these structures provide checks and balances, they are also vulnerable to elite capture, bureaucratic inertia, and opaque practices. Marginalized stakeholders (such as workers, customers, or local communities) typically have limited or indirect influence, despite being significantly affected by organizational decisions.

4.2 DAO Governance: A Paradigm Shift

Decentralized Autonomous Organizations (DAOs) represent a structural reimagination of governance. DAOs distribute authority across a network of contributors using smart contracts and blockchain-based protocols. They facilitate permissionless participation, enable real-time financial transparency, and encode governance rules into immutable, programmable infrastructure.

Key Features of DAO Governance:

- Token-weighted, reputation-based, or quadratic voting systems
- On-chain treasury management with public audit trails
- Decentralized proposal submission and automated execution
- Community forums, governance portals, and open-source development
- Native integration of incentive mechanisms (staking, rewards, slashing)

DAOs empower all participants to propose, vote on, and enforce decisions, bypassing centralized bottlenecks. While this allows greater inclusivity and agility, it also introduces risks: governance manipulation by whales, smart contract vulnerabilities, and lack of legal recognition in many jurisdictions.

4.3 Table 3: Comparison Table for Traditional vs DAO Governance

Feature	Traditional Corporate Governance	DAO Governance	ISO 26000 Alignment
Decision-Making	Board-led, top-down	Community-driven, decentralized	Organizational Governance
Authority Distribution	Centralized (executives/shareholders)	Distributed (token holders, stakers, curators)	Organizational Governance
Transparency	Periodic financial reports, limited stakeholder access	Continuous, on-chain visibility of votes, treasury, and proposals	Transparency
Voting Mechanism	One-share, one-vote (equity-based)	One-token, reputation, or quadratic voting	Fair Operating Practices

Feature	Traditional Corporate Governance	DAO Governance	ISO 26000 Alignment
Compliance & Regulation	Enforced via laws, audits, compliance departments	Self-regulated, smart contract-based compliance (evolving legally)	Respect for Rule of Law & International Norms
Accountability	Board audits, regulatory investigations	Automated smart contract execution, public audit trails	Accountability & Transparency
Financial Management	CFO-managed, opaque to public	On-chain treasuries, multi-signature wallets (e.g., Gnosis Safe)	Fair Operating Practices
Stakeholder Inclusion	Limited to shareholders, executives	Open to contributors, users, developers, and funders	Respect for Stakeholder Interests
Agility	Slow (bureaucratic processes)	Fast (real-time governance execution)	Organizational Governance
Corruption Risk	High (centralization, lobbying, opacity)	Lower (transparency, auditability, decentralization)	Ethical Behaviour & Anti-Corruption (Fair Practices)

4.4 Table 4: ISO 26000 as a Bridge Between Both Models

ISO 26000 provides a shared language of social responsibility that can bridge the gap between these two governance paradigms. While the structure of DAOs and corporations differ fundamentally, the underlying values of accountability, transparency, and stakeholder inclusion are universal.

Applying ISO 26000 in DAOs helps to:

- Formalize governance roles and responsibilities using smart contracts
- Introduce compliance checks and transparency tools without central intermediaries

- Ensure that even permissionless systems adhere to social, environmental, and ethical standards

In the next chapter, we explore cross-standard integration, detailing how ISO/TS 23635 (DLT Governance) and ISO/TS 26030 (Sectoral Sustainability) complement ISO 26000 in shaping technically robust and socially responsible DAO governance.

Chapter 5 – Cross-Standard Integration for DAO Governance

To design DAOs that are resilient, ethical, and interoperable, ISO 26000 must be contextualized within the broader ecosystem of technical and sector-specific standards. Two additional ISO technical specifications are particularly relevant:

- ISO/TS 23635:2022 – Guidelines for Governance in Distributed Ledger Technologies (DLT)
- ISO/TS 26030:2019 – Social Responsibility and Sustainable Development in the Food Chain

Together with ISO 26000, these standards enable DAOs to operate with integrity at the protocol level while remaining socially accountable at the community and sectoral level.

5.1 ISO/TS 23635:2022 – Governance of Distributed Ledger Technologies

ISO/TS 23635 provides technical guidance for governance in blockchain and DLT ecosystems. It addresses how to design and manage transparent, auditable, and accountable governance systems within decentralized infrastructures, an urgent priority for DAOs.

Key Components:

- Governance architecture: Defining roles, responsibilities, and decision-making processes on-chain
- Auditability: On-chain logging, verifiable proposal histories, and publicly visible outcomes
- Dispute resolution: Integration of decentralized arbitration or pre-agreed conflict mechanisms
- Stakeholder inclusivity: Clarity in voting rights, onboarding processes, and rights distribution
- Risk management: Mechanisms such as kill switches, rate limits, modular governance templates

Table 5: DAO Governance Application:

ISO/TS 23635 Area	DAO Governance Implementation
Governance Design	Role-based smart contracts, DAO charters (e.g., via Aragon)
Risk Management	Emergency shutdown contracts, time-locks, treasury rate caps
Stakeholder Inclusion	Quadratic or conviction voting, reputation systems
Auditability & Logging	Transparent proposal histories, Git-based governance repositories
Dispute Resolution	Kleros, Aragon Court, DAO-native arbitration contracts

This standard provides a technical scaffolding for DAOs to encode ISO 26000's ethical principles into verifiable and modular infrastructure.

5.2 ISO/TS 26030:2019 – Social Responsibility in Sectoral Contexts

ISO/TS 26030 is a sector-specific adaptation of ISO 26000, originally focused on the food value chain. However, its methodology is highly transferable to DAOs operating in sectors such as regenerative finance (ReFi), ethical sourcing, traceable supply chains, and circular economy systems.

Key Components:

- Stakeholder mapping and materiality assessment
- Local impact measurement and social investment frameworks
- Traceability and responsible sourcing
- Alignment with SDGs such as SDG 2, SDG 8, and SDG 12

Table 6: DAO Governance Application:

ISO/TS 26030 Area	DAO Implementation
Traceability	Digital Product Passports (DPPs), supply chain tokenization
Localized Impact	DAO-led funding for community SDG initiatives via quadratic grant rounds
Ethical Asset Governance	ESG-screened treasury allocations, ReFi treasury logic
Stakeholder Participation	Local contributors weighted in governance logic for asset-backed DAO projects

This standard empowers sector-focused DAOs (e.g., Carbon DAOs, AgriDAOs, Art DAOs) to embed sustainability into their mission, operations, and funding decisions.

5.3 ISO-Based Interoperability: A Triangulated Framework

To enable DAOs to scale ethically and interoperate with institutions, standards must be **layered and modular**. The three ISO standards align as follows:

Table7: ISO Standards Triangulated for Ethical, Technical, and Sectoral DAO Governance

ISO Standard	Primary Focus	DAO Governance Contribution
ISO 26000:2010	Ethical behaviour and social responsibility	Governance values, stakeholder inclusion, SDG alignment
ISO/TS 23635:2022	Governance in blockchain/DLT systems	On-chain roles, risk mitigation, modular architecture
ISO/TS 26030:2019	Sectoral sustainability implementation	Domain-specific DAO design, circular economy, local development

By integrating these three standards, DAOs gain both normative legitimacy (ISO 26000) and technical coherence (ISO/TS 23635 & 26030). This prepares them for engagement with public institutions, regulators, ESG investors, and cross-sectoral partnerships.

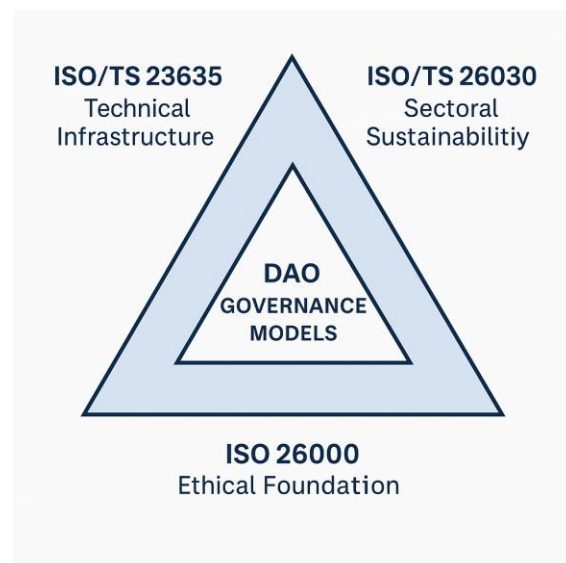


Figure 2: ISO Triangulated Framework for DAO Governance Integration

This diagram visually represents the triangulated framework integrating three ISO standards as foundational pillars for Decentralised Autonomous Organisation (DAO) governance. At the base lies ISO 26000, which provides the ethical and normative foundation by articulating principles of social responsibility, stakeholder engagement, and sustainability. To the left vertex, ISO/TS 23635 contributes technical infrastructure through modular design, risk controls, and on-chain auditability specific to distributed ledger technologies. To the right vertex, ISO/TS 26030 introduces sector-specific sustainability guidelines, enabling DAOs to operate responsibly in real-world economic domains such as regenerative finance, supply chain tokenisation, and circular asset management.

At the intersection of these three standards lies the operational core of ISO-aligned DAO governance. This integrated model not only ensures compliance and accountability but also equips DAOs to align with global sustainability frameworks such as the United Nations Sustainable Development Goals (SDGs), while remaining technically robust and legally credible. This triangular model anchors the report's roadmap and reinforces the need for DAOs to bridge ethics, technology, and sectoral applicability to become trusted civic infrastructures in the digital economy.

Chapter 6 – DAO Governance for SDG Localization and Global Coordination

As programmable and borderless infrastructures, DAOs are uniquely positioned to contribute to the localization, integration, and acceleration of the UN Sustainable Development Goals (SDGs). Their transparent, token-driven coordination mechanisms allow both top-down alignment with global goals and bottom-up empowerment of local communities.

This chapter explores how DAOs can support SDG localization, climate action, social innovation, and collaborative governance models, drawing from key initiatives such as Catalyst 2030, SCOOP, and the World Economic Forum (WEF).

6.1 SDG Localization Through DAO Infrastructure

The 2019 UN report *“Roadmap for Localizing the SDGs”* emphasized that achieving the SDGs requires enabling subnational actors, municipalities, local communities, indigenous groups, to govern with **autonomy, transparency, and strategic funding**.

DAOs can embody these needs through:

- Quadratic funding models that reflect community priorities
- Smart contract-based budgeting tied to local KPIs
- Reputation systems to reward sustained civic participation
- On-chain audits of public goods spending

DAOs can serve as local development engines, operating like decentralized municipalities, transparent, auditable, and driven by stakeholder input. When aligned with ISO 26000, these mechanisms deliver not just operational efficiency, but social legitimacy. This approach aligns with the OECD’s Digital Government Policy Framework (2020), which defines “digital by design” as the strategic use of digital technologies to re-engineer public processes, simplify citizen interactions, and foster inclusivity. By enabling participatory funding, smart budgeting, and transparent impact reporting, DAOs embody this principle at a structural level. Their ability to operate across jurisdictions with programmable governance makes them powerful instruments for subnational actors advancing the SDGs.

6.2 SDG 12 as a Central Pillar: Rethinking Our Relationship With “Stuff”

While SDGs like 13 (Climate) or 16 (Institutions) are often seen as top priorities for DAOs, SDG 12 (Responsible Consumption and Production) may be the most transformative. As highlighted by the Ellen MacArthur Foundation:

"In the last six years, we have consumed almost as much as we did in the entire 20th century."

This unsustainable trajectory drives nearly all SDG failures, from food waste (SDG 2) to ecosystem degradation (SDG 15). DAOs can play a key role in reversing this dynamic by encoding responsible production, consumption, and traceability directly into governance systems.

DAO Tools for SDG 12:

- Digital Product Passports (DPPs) for ethical asset sourcing
- Carbon-linked treasuries to track environmental cost of transactions
- Smart contract logic for circular economy incentives
- Regenerative Finance (ReFi) mechanisms rewarding low-impact behavior

SDG 12 is not just one goal among many, it is a keystone. DAOs aligned with SDG 12 influence broader transformations in equality, climate action, biodiversity, and peacebuilding.

6.3 The SCOOP Project: Decentralized Cooperation Through Reputation

The *SCOOP* research project (Sustainable Cooperation through Reputation-Based Governance and Smart Consensus) identifies concrete tools for sustainable DAO operations:

- Lazy Consensus: Prevents voter fatigue by assuming default consent unless challenged
- Reputation Decay: Incentivizes continued engagement and reduces dominance by inactive token-holders
- Modular Governance Layers: Enable differentiated access to decision-making power (developers, contributors, validators)

These innovations directly reflect ISO 26000's emphasis on stakeholder inclusion, responsiveness, and ethical governance, while strengthening DAOs' ability to scale cooperation across diverse actors.

6.4 Catalyst 2030: Aligning SDG Acceleration with DAO Design

According to the Social Progress Index, at the current rate, most SDGs will not be achieved until well after 2080. Catalyst 2030, a network of over 4,000 systems changers, seeks to overcome this delay through collective action, resource sharing, and peer-led innovation.

DAOs are natural partners for this vision. They offer:

- Transparent, anti-fragile governance
- Cross-border collaboration without intermediaries
- Decentralized grant making and outcome-driven incentive systems

By integrating Catalyst 2030's principles into DAO architecture, especially around multi-stakeholder governance, DAOs can become engines of systems change and SDG integration, not just financial tools.

6.5 World Economic Forum DAO Insights

The World Economic Forum's *2022 DAO report* emphasizes DAO strengths in transparency, inclusivity, and coordination, while cautioning against:

- Governance token capture by whales
- Lack of legal frameworks
- Smart contract fragility

The WEF supports modular governance tools, legal wrappers, and impact-aligned tokens as critical innovations for the DAO space. These insights reinforce the call for ISO-aligned DAO design, merging technical scalability with ethical and institutional trust.

6.6 Mapping ISO 26000 to SDGs via DAO Governance

The Role of SDGs in DAO Governance

The United Nations Sustainable Development Goals (SDGs) serve as a universal blueprint for addressing global challenges such as poverty, inequality, climate change, and institutional transparency. Adopted by 193 countries, the 17 SDGs provide a comprehensive framework for fostering economic growth, social equity, and environmental sustainability by 2030.

While these goals were originally designed for governments, corporations, and NGOs, the rise of Decentralized Autonomous Organizations (DAOs) presents a new paradigm for implementing SDG-aligned governance structures in a decentralized, borderless, and transparent manner. By leveraging blockchain technology, smart contracts, and community-driven decision-making, DAOs can directly contribute to several SDGs, particularly those focused on governance, economic inclusion, industry innovation, and environmental responsibility.

Among the 17 SDGs, seven are particularly suited for DAOs, as they align with the fundamental principles of decentralized governance:

1. **SDG 16 – Peace, Justice & Strong Institutions**

DAOs introduce transparent, accountable, and corruption-resistant governance through on-chain voting, smart contracts, and decentralized dispute resolution mechanisms such as Kleros or Aragon Court. This ensures publicly auditable decision-making processes and prevents centralized governance failures.

2. **SDG 17 – Partnerships for the Goals**

DAOs eliminate bureaucratic inefficiencies by facilitating decentralized, cross-border funding, governance, and project collaboration. Multi-chain DAOs, such as Gitcoin Grants, KlimaDAO, and Public Goods DAOs, pool resources to support open-source development, climate initiatives, and sustainable economies.

3. **SDG 10 – Reduced Inequalities**

Traditional governance structures often favor centralized elites, whereas DAOs introduce quadratic voting, stake-weighted governance, and reputation-based participation models to ensure fair representation. Additionally, self-sovereign identity (SSI) solutions allow individuals without government-issued IDs to participate in governance, empowering underrepresented communities.

4. **SDG 8 – Decent Work & Economic Growth**

DAOs create borderless, transparent, and decentralized work environments, allowing individuals to earn fair wages based on contributions rather than centralized employment structures. Through reputation-based rewards, smart contract-driven payrolls, and transparent contributor metrics, DAOs ensure fair and equitable economic participation.

5. **SDG 9 – Industry, Innovation & Infrastructure**

DAOs drive technological innovation by funding open-source research, blockchain infrastructure, and decentralized finance (DeFi) protocols. Many DAOs, such as Gitcoin Grants and ReFi DAOs, have pioneered funding mechanisms that support Web3 development, AI governance, and blockchain-based digital identity systems.

6. **SDG 13 – Climate Action**

DAOs are revolutionizing climate finance by tokenizing carbon credits, supporting regenerative finance (ReFi), and incentivizing sustainable behaviors through blockchain-based rewards. Platforms like Toucan Protocol and KlimaDAO enable transparent carbon trading, ensuring measurable environmental impact.

7. **SDG 11 – Sustainable Cities & Communities**

DAOs provide decentralized funding mechanisms for urban development projects, enabling communities to self-govern public resources, manage decentralized smart grids, and support community-driven sustainability initiatives. Quadratic funding models allow for direct citizen participation in city planning and resource allocation.

By integrating ISO 26000's social responsibility framework with blockchain governance mechanisms, DAOs can function as ethical, transparent, and socially impactful organizations. Through smart contract-based treasury management, on-chain governance, and decentralized sustainability tracking, DAOs are uniquely positioned to drive progress toward these SDGs while redefining governance for the digital economy.

The following table highlights how DAOs contribute to ethical governance by aligning their operational models and governance mechanisms with specific SDGs, demonstrating their potential to advance socially responsible and inclusive digital ecosystems.

Table 8: DAO Contributions to Ethical Governance by SDG

UN SDG	DAO Contribution to Ethical Governance
SDG 5 – Gender Equality	Ensuring equal voting power, inclusive governance structures, and diverse leadership.
SDG 8 – Decent Work & Growth	DAOs create new work models & fair compensation systems; decentralized labor rights protection.
SDG 9 – Innovation & Infra	Using blockchain for trust, transparency, and governance decentralization; funding decentralized R&D.
SDG 10 – Reduced Inequality	Ensuring fair access to governance & resources; promoting equitable participation through SSI and voting.
SDG 11 – Sustainable Cities	DAOs manage decentralized urban infrastructure and participatory budgeting through on-chain tools.
SDG 13 – Climate Action	Funding ReFi initiatives; tokenizing carbon credits; incentivizing sustainable proposals.
SDG 16 – Strong Institutions	Providing transparent, corruption-resistant governance; supporting open auditability and legal clarity.
SDG 17 – Partnerships	Enabling decentralized, global collaboration and funding for cross-sectoral SDG implementation.

The table below outlines how DAOs can implement the seven core subjects of ISO 26000 through specific governance features and technical mechanisms, illustrating their alignment with key SDGs and their potential to operationalise socially responsible behaviour in decentralised systems.

Table 9: ISO 26000 Aligned DAO Features by Core Subject

ISO 26000 Core Subject	How DAOs Can Implement These Standards	Aligned SDGs
Organizational Governance	On-chain treasury transparency, automated audit smart contracts, DAO charters with ESG policies, and governance analytics dashboards	SDG 16 (Strong Institutions)
Human Rights	Self-sovereign identity (SSI), privacy-preserving voting mechanisms, multilingual participation portals, anti-discrimination governance design	SDG 10 (Reduced Inequality)
Labor Practices	Token-based reputation systems, fair compensation algorithms, contributor codes of conduct, decentralized safety protocols	SDG 8 (Decent Work & Economic Growth)
The Environment	Carbon-linked treasury allocations, regenerative finance integrations, automated ESG disclosures	SDG 13 (Climate Action)
Fair Operating Practices	Anti-plutocracy mechanisms, on-chain reputation systems, open-source audits, transparent governance proposals	SDG 16 (Justice & Institutions)
Consumer Issues	ZKP-based privacy, transparent token utility models, community-driven product audits, on-chain arbitration (e.g., Kleros, Aragon Court)	SDG 9 (Industry, Innovation)
Community Involvement & Development	Quadratic funding rounds, DAO coalitions for SDG delivery, participatory grantmaking, impact reporting on-chain	SDG 17 (Partnerships for the Goals)

6.7 Real-World DAO Case Studies, Mapping ISO 26000 and SDG Alignment

To complement the theoretical and technical frameworks presented throughout this report, this section provides real-world case studies of DAOs currently operationalizing principles of social responsibility and sustainable development. By mapping each DAO to its primary focus area, relevant ISO 26000 principles, and aligned UN Sustainable Development Goals (SDGs), we illustrate the tangible application of decentralized governance for ethical impact.

These case studies highlight the diversity of DAO use cases, from stablecoin issuance to regenerative finance and digital art, to showcase the wide applicability of ISO-aligned governance. They also serve as a benchmarking tool for DAO designers, regulators, and standards bodies seeking to understand how decentralized infrastructures contribute to the SDGs in practice.

The following table presents a comparative overview of selected DAOs, mapping their primary focus areas to relevant ISO 26000 principles and UN Sustainable Development Goals (SDGs), thereby illustrating how decentralised governance structures are already advancing ethical, social, and environmental objectives in practice.

Table 10: DAO Alignment Table: ISO 26000 and SDG Contributions

DAO	Focus Area	ISO 26000 Principle	Relevant SDGs
Bitcoin	Public Goods Funding	Community Involvement & Development	SDG 1, SDG 10, SDG 17
VitaDAO	Longevity Research & Development	Consumer Issues	SDG 3, SDG 9
Ukraine DAO	War Relief & Advocacy	Human Rights	SDG 16, SDG 17
MakerDAO	Stablecoin Finance	Organizational Governance	SDG 8, SDG 9
CityDAO	Land Governance & Public Access	Community Involvement & Development	SDG 11, SDG 16

DAO	Focus Area	ISO 26000 Principle	Relevant SDGs
ConstitutionDAO	Collective Bidding	Fair Operating Practices	SDG 12, SDG 16
Merit Circle	Play-to-Earn & Education	Labor Practices	SDG 4, SDG 8
BitDAO	Web3 Investment Fund	Fair Operating Practices	SDG 8, SDG 9
FWB (Friends With Benefits)	Cultural Social Network	Community Involvement & Development	SDG 11, SDG 5
Uniswap DAO	DeFi Exchange Governance	Organizational Governance	SDG 8, SDG 16
KlimaDAO	Carbon Market Reformation	The Environment	SDG 13, SDG 12
SeedClub	DAO Incubation	Organizational Governance	SDG 9, SDG 17
PleasrDAO	Digital Art Investment	Consumer Issues	SDG 9, SDG 12
MolochDAO	Public Goods Funding	Community Involvement & Development	SDG 17, SDG 1
PleasrDAO	Digital Art & Charity	Consumer Issues	SDG 9, SDG 12
Uniswap DAO (WEF)	DeFi Protocol Governance	Organizational Governance	SDG 8, SDG 16
ConstitutionDAO (WEF)	Collective Action	Fair Operating Practices	SDG 16, SDG 12
MakerDAO (WEF)	Stablecoin & Lending	Organizational Governance	SDG 9, SDG 8

Analytical Commentary

This case matrix reveals several trends across the DAO ecosystem:

- Strong alignment with SDG 16 (Peace, Justice & Strong Institutions) suggests DAOs are well-positioned to deliver transparent, accountable governance frameworks that combat corruption and promote institutional trust.
- SDG 17 (Partnerships for the Goals) appears frequently, validating the role of DAOs in fostering cross-border, multi-stakeholder collaboration, a key component of Catalyst 2030 and the SDG acceleration agenda.
- DAOs like Gitcoin, MolochDAO, and SeedClub demonstrate how community-oriented mechanisms (e.g., quadratic funding, grants, incubation) fulfill the ISO 26000 principle of *Community Involvement and Development*.
- DAOs in climate and regenerative finance (e.g., KlimaDAO) operationalize *The Environment* principle, supporting treasury-linked carbon markets and SDG 13.
- Gaps still exist in fully operationalizing *Labor Practices* and *Consumer Issues* in DAOs, highlighting areas for further development, including dispute resolution standards, contributor protections, and privacy-preserving mechanisms.

Chapter 7 – Conclusion and Roadmap for Standardized DAO Governance

7.1 Conclusion

This report has developed a comprehensive governance framework for Decentralized Autonomous Organizations (DAOs) based on ISO 26000, ISO/TS 23635, and ISO/TS 26030. Through structured mapping, cross-standard integration, and analysis of real-world DAO case studies, we demonstrate that DAOs can operationalize global principles of social responsibility, ethical governance, and sustainable development.

The integration of ISO 26000's seven core subjects enables DAOs to:

- Embed transparency, accountability, and fairness at the architectural level
- Ensure stakeholder inclusion and protection through smart contract governance
- Align technical infrastructures with global SDG targets
- Build trust with regulators, institutions, and the public
- Move beyond experimental coordination tools to become ethical civic infrastructures

Furthermore, the case studies in Chapter 6.6 illustrate that DAOs across sectors, public goods, climate action, digital identity, and finance, are already implementing aspects of ISO-aligned governance. These real-world examples validate the feasibility and urgency of formalizing such standards.

Moreover, this report demonstrates that ISO 26000 is not only an ethical compass but also a catalyst for sustainability and innovation. Through detailed mappings, technical frameworks, and real-world DAO case studies, it shows that DAOs are uniquely equipped to operationalize climate goals, regenerative finance, and circular economy models at scale. Whether through carbon-linked treasuries, shared ownership of infrastructure, or participatory grant making, DAOs offer programmable pathways toward the European Union's green and digital transitions.

7.2 Recommendations: Roadmap for Implementation

To enable Decentralised Autonomous Organisations (DAOs) to operate as socially responsible, transparent, and sustainable governance systems, the following phased roadmap is recommended. This roadmap translates the ethical guidance of ISO 26000 and the technical scaffolding of ISO/TS 23635 and ISO/TS 26030 into practical steps for real-world deployment.

a. Develop ISO-Aligned Governance Templates

DAO ecosystems should co-develop modular governance templates that embed ISO 26000's principles, such as transparency, inclusivity, and stakeholder engagement, into core protocol architecture. These templates should cover role-based permissions, voting processes, decision audit trails, and ethical conduct guidelines. Using ISO/TS 23635 as a blueprint, these templates must also incorporate technical features such as risk controls (e.g., kill switches, treasury caps) and auditability protocols to safeguard long-term resilience and trust.

b. Draft Open-Source DAO Charters Grounded in Social Responsibility

To ensure ethical and inclusive governance, DAOs should publish publicly verifiable constitutions or charters that define their mission, values, and governance protocols. These documents should reflect ISO 26000's emphasis on grievance mechanisms, stakeholder rights, and sustainable development objectives. Open-source and multilingual formats should be prioritised to enhance global participation and remove access barriers, aligning with SDG 10 (Reduced Inequalities) and SDG 17 (Partnerships for the Goals).

c. Deploy Smart Contract Modules for ISO Compliance and ESG Accountability

DAOs must integrate smart contract-based governance modules that translate ISO principles into programmable infrastructure. This includes tools for on-chain treasury transparency (e.g., Gnosis Safe, Chainlink Proof-of-Reserve), environmental impact tracking (e.g., Toucan Protocol, OpenESG), and privacy-preserving participation (e.g., MACI, Polygon ID). These modules enable DAOs to operationalise compliance, minimise governance manipulation, and demonstrate ESG alignment in real time.

d. Implement SDG-Aligned DAO Reporting Frameworks

To promote credibility and global relevance, DAOs should issue voluntary reports modelled on ESG disclosures and ISO 26000's non-financial accountability practices. These reports should include real-time dashboards linking treasury decisions to SDG outcomes, enabling transparent impact measurement and iterative governance improvements. Such reporting mechanisms not only foster external trust but also align DAOs with policy and investor expectations.

e. Engage in Regulatory and Standards Dialogue for DAO Legitimacy

To bridge the gap between decentralised innovation and institutional adoption, DAO communities must actively participate in the development of formal standards and legal frameworks. Engagement with ISO TC307/WG5, the European Blockchain Regulatory Sandbox, and public sector partners is critical to shaping interoperable governance models. It would be opportune to foster an open, collaborative environment between industry and government as DAO pilots should be launched in collaboration with municipalities or public agencies to explore decentralised budgeting, participatory planning, and SDG-localised governance.

7.3 Final Reflections: DAOs as Ethical Civic Infrastructure

DAOs are rapidly evolving beyond financial tooling to become mechanisms for collective intelligence, planetary stewardship, and digital civic participation. DAOs represent a generational opportunity to reimagine governance: not as hierarchical control, but as programmable cooperation. However, their long-term legitimacy hinges on grounding this innovation in values shared across borders, accountability, justice, inclusion, sustainability.

The DAO case studies in Chapter 6.6 show that the tools already exist. What remains is the formalization of those tools through interoperable standards.

- ISO 26000 provides the ethical compass.
- ISO/TS 23635 and ISO/TS 26030 offer the technical scaffolding.
- The SDGs define the global destination.

By uniting these elements DAOs can transition from experiments in coordination to essential building blocks of a resilient, inclusive, socially aligned infrastructures and regenerative global economy.

As the EU accelerates its environmental and digital ambitions, DAOs stand as viable partners for implementing climate action, circularity, and SDG localization. DAOs designed with ISO 26000 at their core, supplemented by ISO/TS 23635 and ISO/TS 26030, can embed regenerative finance logic, transparency mechanisms, and inclusive participation models directly into their code. From Circular DAOs managing resource lifecycles to Impact DAOs financing biodiversity and ReFi projects, decentralized governance

can become a driving force in greening the digital economy. This report lays the groundwork for those ambitions to be realized through interoperable standards, public-private collaboration, and sustained ecosystem development.

As DAOs continue to evolve as decentralised governance systems shaping the digital economy and sustainability efforts, their alignment with ethical, legal, and technological standards becomes imperative. In particular, the emerging use of artificial intelligence within DAOs, for functions such as reputation scoring, proposal curation, and sentiment analysis, introduces new dimensions of automation. With AI increasingly used in DAO governance, alignment with the EU Artificial Intelligence Act becomes an emerging consideration for techno-ethical DAO design. Ensuring transparency, accountability, and human oversight within these intelligent decision-making systems will be essential for DAOs to operate lawfully, inclusively, and responsibly in both public and private spheres.