

## 1. Purpose: Exists to solve a social or environmental problem

Not Eligible (0 Points)	1 Points	2 Points	3 Points	4 Points
Conventional business. Not created to solve a social or environmental problem.	Exists to solve a social or environmental problem. Social or environmental purpose is publicly communicated online. Plans to update governing documents to include the purpose.	Exists to solve a social or environmental problem. Social or environmental purpose is publicly communicated online and is included in governing documents.	Exists to solve a social or environmental problem. Social or environmental purpose is publicly communicated online and is included in governing documents. Monitors impact related to purpose.	Exists to solve a social or environmental problem. Social or environmental purpose is publicly communicated online and is included in governing documents. Monitors and publicly reports impact related to purpose.

## 2. Operations: Prioritises purpose, people, and planet over profit in operational decisions

Not Eligible (0 Points)	1 Point	2 Points	3 Points	4 Points
Not focused on social and environmental impact of operational decisions. Does not meet minimum sector standards.	Meets minimum sector standards. <sup>1</sup> Publicly communicates online about how people and planet are prioritised	Meets minimum sector standards. Monitors social and environmental metrics related to workers, suppliers, community, and environment.	Meets minimum sector standards. Monitors and publicly reports social and environmental metrics related to workers, suppliers, community, and environment.	Meets minimum sector standards. Has at least one recognised third-party verification of socially and environmentally responsible practices related to core operations.

<sup>1</sup> People and Planet First uses Good Market because it is a social enterprise, has community-owned social and environmental standards, a free curation process, and crowdsourced monitoring system that works across sectors, regions, and languages, integrates with other services, and increases the visibility of network partners.

### 3. Revenue: Has a self-sustaining revenue model

Not Eligible (0 Points)	1 Point	2 Points	3 Points	4 Points
Dependent on charitable contributions and traditional grants. No plan for a self-sustaining revenue model.	Financial records show earned income from products, services, or results-based grant contracts. Plan for financial sustainability.	Financial records show earned income from products, services, or results-based grant contracts covers at least 50% of operating expenses or represents at least 50% of operating revenue.	Financial records show earned income from products, services, or results-based grant contracts covers at least 75% of operating expenses or represents at least 75% of operating revenue.	Financial records show earned income from products, services, or results-based grant contracts covers 100% of operating expenses or represents 100% of operating revenue.

### 4. Use of Surplus: Reinvests the majority of any surplus towards its purpose

Not Eligible (0 Points)	1 Point	2 Points	3 Points	4 Points
Has a structure or financing that requires more than 50% of surplus to be disbursed for private profit. No plans to change.	Has a public commitment to reinvesting the majority of surplus towards purpose. Financial records show greater than 50% reinvestment or purpose-related disbursement if surplus is available.	Has a public commitment to reinvesting all surplus towards purpose. Financial records show 100% reinvestment or purpose-related disbursement if surplus is available.	Governing documents or structure ensure the majority of surplus is reinvested towards purpose. Financial records show greater than 50% reinvestment or purpose-related disbursement if surplus is available.	Governing documents or structure ensure all surplus is reinvested towards purpose. Financial records show 100% reinvestment or purpose-related disbursement if surplus is available.

## 5. Structure: Chooses legal structures and financing that protect and lock-in purpose long term.

Not Eligible (0 Points)	1 Points	2 Points	3 Points	4 Points
Has a structure or financing that does not protect purpose, e.g. profit-maximising ownership, subsidiary of profit-maximising company. No plan to change structure	Has a public commitment to locking-in purpose. Plans to update governing documents or registration. Current financing and ownership does not prevent future lock-in.	Has clauses in governing documents to protect purpose through periods of transition including changes in management, changes in ownership, and dissolution.	Has structural arrangements to protect purpose through periods of transition (e.g. democratic governance, hybrid model with key assets under protected structure)	Has government regulated structural arrangements or an embedded democratic governance model to protect purpose through periods of transition (e.g. controlling shares owned by a protected structure, democratic member control)

See <https://peopleandplanetfirst.org/verification-review-guide/> for translation and more details.