



PROSPER

SOCIAL FINANCE


Challenging perceptions, financing change

Annual Report

May 2021



Social Responsibility
and Sustainability



There is no doubt that the last year was challenging for everyone globally however, we feel that with every new challenge there is opportunity for growth. In light of these challenges, the unity of new and old members of the Prosper community has driven our growth and success this year. We are incredibly proud to reflect on the growth and resilience Prosper Social Finance has shown over a uniquely challenging year.

We are delighted to report that over the last three years, Prosper has trained nearly 150 analysts, invested £30,000 across 23 companies, and worked powerfully towards its goal to promote **finance with a purpose** with the hopes to promote a **more compassionate society**. Over the last year, we trained 48 analysts and were happy to see 24 senior analysts continue their involvement in Prosper. Despite the physical distance the pandemic brought, we were able to increase our efforts to engage with the community through our webinar which had over 70 attendees.

Since November 2017, Prosper has been committed to:

- Have **global influence** through collaboration with organisations and universities across the globe
- **Contribute to the local community** through social impact investments
- Enable students to build their own **talent, skills, and employability**

Through this report, we hope to showcase Prosper's resilience, progress and commitment to the strategic plan which founded the fund. We aim to showcase the effective use of last £10,000 draw down provided by the University of Edinburgh in July 2020.

Specifically, this report will show:

- The successful execution of 2 investment rounds
- The positive performance of our investments despite market uncertainty and macroeconomic challenges
- The effective training of 48 new analysts
- The accomplished launch of the Senior Analyst Programme which retained 24 analysts
- Our positive impact on student experience and the local community
- The management of ongoing and potential risks

We are extremely grateful for the support everyone has given Prosper over the last year. We are especially grateful for the £30,000 in funding we have received from the University of Edinburgh thus far which has enabled us to achieve our goals.

Ultimately, we hope the University of Edinburgh Social Responsibility & Sustainability Department and Finance Department are satisfied that Prosper continues to fulfil its business plan and continues to have a positive impact for the University and its students. If so, then we would aim to continue our investment cycle and move forward to grow and develop Prosper in the coming year with their continued financial support.

If possible, we would like to target the next £10,000 draw down in June.



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This Year's Management Team



Clara Geldard

Director of Strategic
Relations



Vicky Grant

Executive Director



James Orr

Head of Training



Irem Sara

Head of Training



Rory Sandison

Marketing Director



Joel Stedman

Head of Investment
Strategy



Amit Jagadeesh

Head of Investment
Tracking



Jai Shah

Head of Strategy



Sara Galy

Head of Social Impact



Angeliki Koufali

Head of Operations

Investment Report

This investment report will look at the Prosper Social Finance (PSF) portfolio performance from April 2020 to the current stage. The individual companies will be looked at from the point of view of their recovery and role in the COVID crisis, along with major financial and business events that took place following the impact of COVID-19 in their respective industries.

As seen in Figure 2, Prosper consistently outperforms the FTSE 100 and FTSE 250 and shows similar growth to the Euro Stoxx 600 and only recently lagging to the S&P 500.

This is due to the robustness of the S&P 500 index during the market crash. While the portfolio sustained as severe a downfall as the benchmark indices, it made the quickest recovery to the performance level prior to the market crash, reaching its previous high by October and since then seen a steady rise.

Since the initial shock of the pandemic, the portfolio has made a tremendous recovery. This is mostly attributed to the many companies in the portfolio being close to the COVID-19 crisis and playing a crucial role in the economy from their business aspect, whether it is healthcare provision, technology distribution or sustainable consumer good production. Taking into account this major event, Prosper's net profits have seen a 57.97% increase since the last two rounds of investments that were made from April 2020.

Heads of Investment	Joel Stedman/ Amit Jagadeesh
Execution Date	03/02/2021
Report Date	31/05/2021
Fund Size	£36,838.27
Initial Investment	£28,369.06
Total Return	29.85%
Total Dividend	£207.90

Figure 1: Prosper Key Stats May 2021

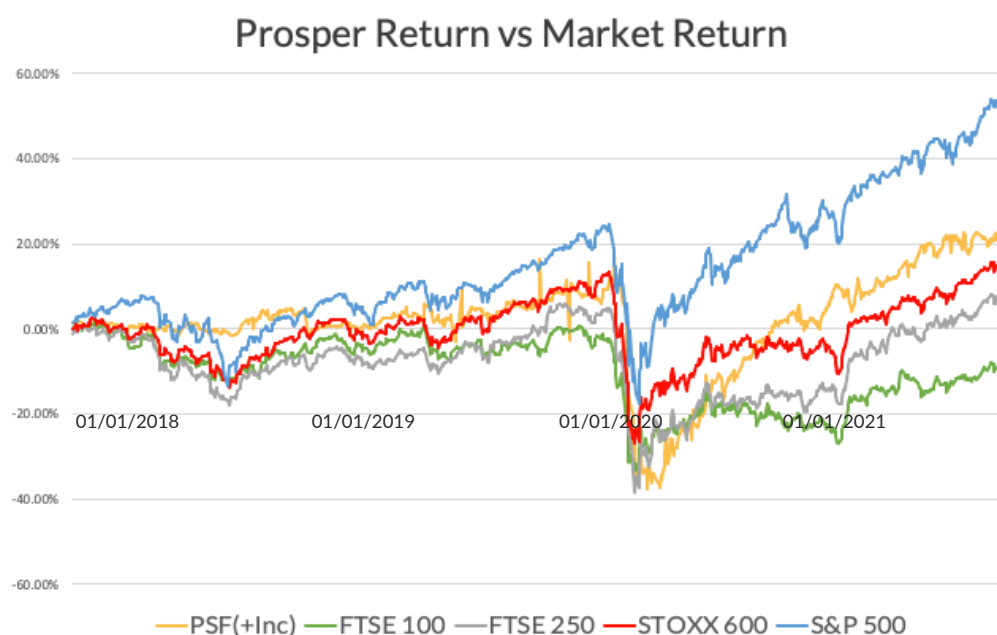


Figure 2: Prosper Returns vs Market Returns

Figure 3 shows Prosper's performance compared to the MSCI ESG Index. While following a similar growth pattern, Prosper has been slightly underperforming the MSCI ESG Index, this being further aggravated by the pandemic's effect on the market. However, the most notable insight from this figure is that both the Prosper portfolio and MSCI ESG Index are outperforming most other indices, which further solidifies the increasing value gained from socially responsible investing.

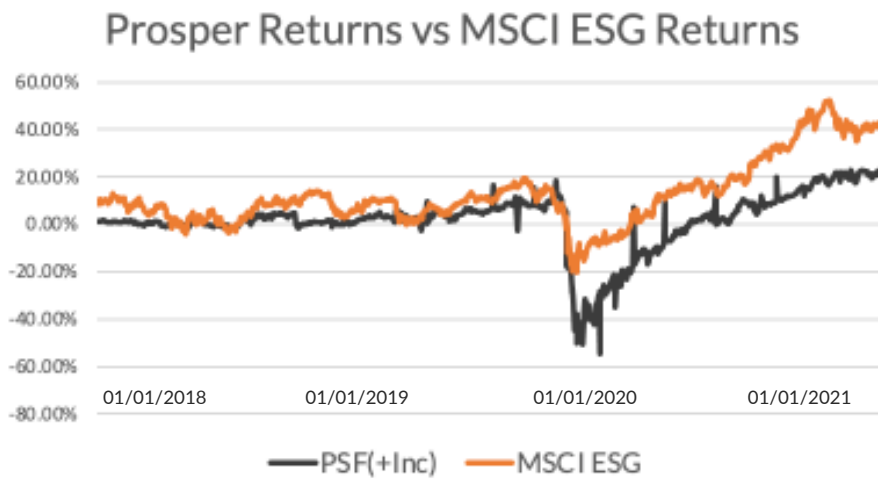


Figure 3: Prosper Returns vs MSCI ESG Returns

The goal of the fund following this is maintaining the steady growth as a result of the so far successful investment strategy spreading the value of socially responsible investing.

Portfolio Composition

Portfolio Composition by Sector May 2021

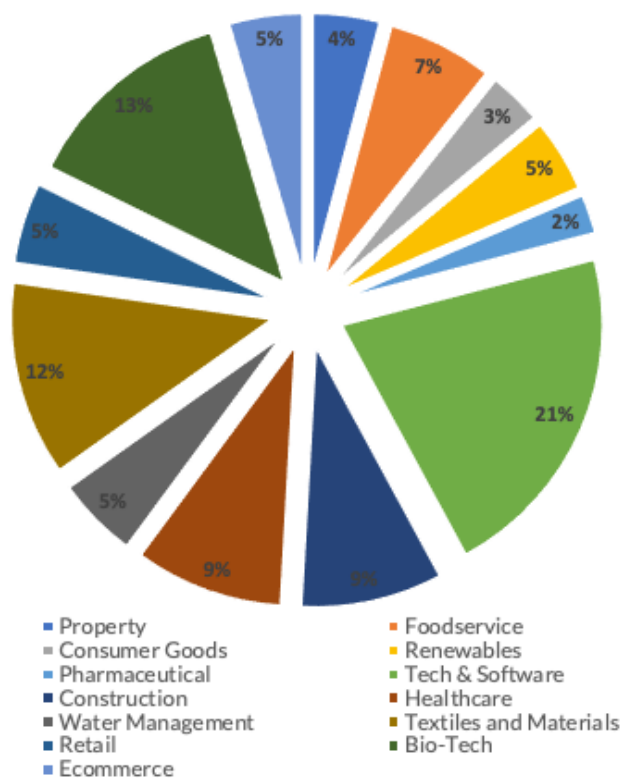


Figure 4: Prosper Portfolio Composition by Sector May 2021

Portfolio Composition: Compared to the portfolio composition last year, the most notable change has been to the technology and software sector. The sector has edged out a larger share of the portfolio composition, due to the new additions of Microsoft, Nvidia and Telus from the last two rounds of investment. The screening and buy order size of potential investments have taken into account the necessary diversification risks across individual and regional sectors.

Portfolio Composition by Region May 2021

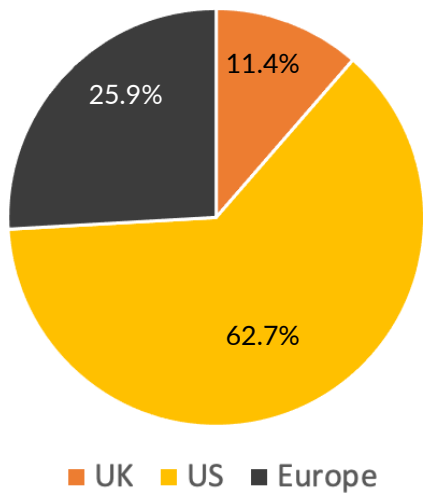


Figure 5: Prosper Portfolio Composition by Region May 2021

Company
Agilent (NYSE: A)
Assura (LON: AGR)
Biogen (NASDAQ: BIIB)
Cisco (NASDAQ: CSCO)
Compass Group (LON: CPG)
James Cropper (LON: CRPR)
Danone SA (CAC: BN)
Etsy (NASDAQ: ETSY)
First Solar (NASDAQ: FSLR)
Intuitive Surgical (NASDAQ: ISRG)
Kesko (HEL: KESKOB)
Kingspan (LON:KPG)
Philips (AMS: PHIA)
Lenzing (VIE: LNZ)
McCormick & Co (NYSE: MKC)
Microsoft & Corporation (NASDAQ: MSFT)
Novozymes (CPH: NZYM-B)
NVIDIA Corp (NASDAQ: NVDA)
Salesforce (NYSE: CRM)
Telus Corp (TSE: T)
Trex Co Inc (NYSE: TREX)
Vestas (CPH: VWS)
Xylem (NYSE: XYL)

Figure 5: Prosper Portfolio Breakdown

Assura (LON: AGR): Assura appears to be a low risk and low volatility investment with an easily scalable model. The ESG outlook seems very strong with a few issues in areas such as water. The company looks to have carbon neutral buildings by 2020. The values of the company align with those of Prosper and therefore overly we decided to invest in Assura.

Compass Group (LON: CPG): The company's values are aligned with those of Prosper and we believe this will be a good investment in the Quality of life section of our portfolio. There are signs of growth of the company and a good ESG score. This has led us to invest in Compass Group.

Lenzing (VIE: LNZ): We believe Lenzing is a market leader in the production of sustainable fibres and is having a positive influence on the attitudes to fashion towards its future and sustainability. While financials have been rocky over the last few years, we believe that the management team is competent at ensuring the business's profitability in the long-run. Its stock price devaluation in 2017 but resilient financials have proven to the investment team that the company is undervalued at this time.

Salesforce (NYSE: CRM): CRM is a growing industry and Salesforce is a market leader. Although trading at a high price we see great potential for future growth. Salesforce is committed to ethical business practices and fits well with Prosper's values. We have decided to invest in Salesforce this semester.

Agilent (NYSE: A): Agilent are in healthy financial position and are well placed to take advantage of positive market trends. They have strong ESG credentials and despite previous scandals operate in a way that aligns well with Prosper's values. We have decided to invest in Agilent.

James Cropper (LON: CRPR): The company has impressive ESG credentials and strong Core Values, especially with Innovation, Integrity and Transparency. There is a lot of potential for the direction the company is trying to grow in with a competitive edge in cup-cycling capacity; and also, their Innovation in TFP and 3D. There is a financial risk for the company with reduced profits in once year, so we have decided to invest, but to take a smaller position to reduce the risk to the overall portfolio.

First Solar (NASDAQ: FSLR): First Solar is an excellent fit for the Prosper portfolio. The use of innovative solar cells sets First Solar apart from their competition. The focus on sustainability of production and recycling of their products demonstrates a strong commitment to ESG integration. The Vertically integrated model should provide some stability in a growing market. The investment proposal for First Solar is well researched and detailed in both the ESG and financial analysis.

Kesko (HEL: KESKOB): The company has a strong ESG outlook, with sustainable product sourcing and securely monitored supply chains. The company has also shown strong alignment with Prosper's Core Values, especially on the Collaboration and Integrity front. We will be investing in Kesko as it allows us to diversify the portfolio by adding a company. The financials look solid, with the company having given out uninterrupted dividend and good signs of stable cash flow. There is some risk in competitors such as Lidl coming in and affecting the company's margins, but we believe Kesko is well positioned to deal with this and as such have decided to invest. Kesko will also give Prosper a good chance to diversify in the portfolio.

Philips (AMS: PHIA): Koninklijke Philips N.V. has demonstrated strong, sustainable historical performance, and their drive for Innovation will ensure consistent returns into the future. We have chosen to invest in Koninklijke Philips N.V.

Etsy (NASDAQ: ETSY): The company has shown great strength in all the initial parts of the Prosper criteria including a great ESG outlook. The company is well ahead of the industry in this aspect; while the P/E is slightly above the industry, the competitive advantage among e-commerce platforms justifies the ratio. Etsy fits well with the Prosper values and the signs of growth have led us to decide to invest in Etsy.

Trex Co Inc (NYSE: TREX): The company's product inherently aligns with Prosper with the revolution of the decking industry into a greener industry. The company also provides a great diversification stock for Prosper's portfolio as it is not an industry we have invested in before. Trex is an industry leader in environmental policy and has relatively strong policies in the social and governance aspects too. Trex shows a strong financial position with good growth in sales and EBIT. While there were significant risks associated with Trex's operations and sales under the COVID 19 pandemic, the company has regained momentum and will prove a valuable investment. The investment team consider Trex a valuable investment, accounting for all these reasons.

Vestas (CPH: VWS): Vestas is a well-established company which appears to be a relatively safe investment. Vestas is also diversified across locations, with operations in Europe, Africa and Asia. Production will not cease but shifts in the market may occur and affect the value of Vestas and we will continue to monitor these. We have decided to invest in Vestas.

Xylem (NZSE: XYL): Xylem has strong profitability and large potential areas for growth in Smart-metering and the improvement of ageing water infrastructure. These are in high demand for water municipalities worldwide. Xylem's mission to tackle water scarcity is aligned with Prosper's ESG goals. Key risks to take into account is the volatility of its share price due to aquifer extraction and weather, in addition to its close margin with competitors. We have decided to invest in Xylem.

Biogen (NASDAQ: BIIB): We believe Biogen is truly leading the pharmaceutical industry on the side of social responsibility and sustainability and has the potential to continue to develop and market life-saving and life improving drugs that will have a Positive Social Impact. We are impressed by their Innovation and drive to research drugs in new fields. This has led to our decision to invest in Biogen.

McCormick & Co (NYSE: MKC): The company does extremely well in the ESG criteria, particularly in their approach to their suppliers. The company also align strongly with Prosper's Core Values, especially in Positive Social Impact and Innovation. They are a financially sound company, with strong ROE, ROA, CROCI and fluctuations in year on-year growth justified by acquisitions to expand the business. The next year or so will be challenging in particular for their flavours segment, however demand for their consumer products should remain as people around the world will continue to shop for household essentials. The investment team find McCormick to be a great addition to Prosper's portfolio.

Microsoft Corporation (NASDAQ: MFST): The company, more so recently, aligns strongly with Prosper's Core Values, with increasing trends in Transparency and Positive Social Impact. While the company has faced scandals in the past, the response with policy adjustments and revision of its values, has justified the Integrity of the company. Microsoft has impressive ESG policies and social externalities that can benefit many communities through their AI and general accessibility of their products. The company has a very strong financial position, with a steady EPS growth and manageable debt position. Although there was some concern about overexposure to certain markets given Prosper's holding in Cisco and Salesforce, after further research the investment Panel came to the conclusion that the operations of these 3 firms differ enough that over-exposure to a certain market segment is not an issue.

Cisco (NASDAQ: CSCO): Cisco was a surprisingly strong case for ESG integration. The company's commitment to driving equality and sustainability is impressive and industry leading. This is especially important in the technology sector. The investment proposal for Cisco was well researched and presented in both ESG and financial evaluation.

Divestments

Company: Kingspan Group

Date of Divestment: TBC

Reason for Divestment: Value-misalignment

Background/Explanation of Decision:

The value-alignment of Kingspan Group has been called into question several times due to their relation to the Grenfell Tower Tragedy and the subsequent inquiry. A sell-side report was conducted in Semester 2 of the academic year 2019/20 which looked into this issue and found, at the time, that value-alignment had not been broken. However, new media coverage prompted the team to evaluate Kingspan again and on looking at both developments since the sell-side report was completed and on re-examining old coverage, it was believed that Kingspan had ceased to align with the core values of Prosper, justifying a divestment. Before divesting, an engagement email was sent to the investor relations contact asking how the company was planning

Engagement Letter Response:

Kingspan responded very promptly to our engagement letter. The quality of the response was also good, yet in line with what could be expected. They provided links to the portion of their website dedicated to the Grenfell Inquiry as well as a direct link to the review conducted by Eversheds Sutherland. Reading through both this review and the inquiry response section of the website, it was the view of the Investment Panel that while Kingspan clearly was taking steps in the right direction, this was nonetheless a case of correcting a wrong and of rising up to expectations, not exceeding them. The statement of the CEO, where blame was attributed to a “small number of employees in our UK insulation boards business”, as opposed to being owned by leaders in the corporation, was not viewed in a positive light.

Ultimately, this response did not remove the doubts that the panel had concerning the value-alignment of Kingspan and the decision was made to continue with the divestment.

Company: Unilever

Date of Divestment: 19/11/2020

Reason for Divestment: Sub-standard ESG performance

Background/Explanation of Decision:

Initial doubt regarding the value-alignment of Unilever was raised by an analyst in Semester 1 in the academic year 2020/21. A sell-side report for the company was compiled in Semester 2 of the academic year 2019/20 which recommended to continue holding, yet it was decided nonetheless to look into the company. It is important to note that the procedure for carrying out this re-evaluation was different to that used for Kingspan and was subsequently updated to include the independent ESG re-scorings. As such, this divestment was carried out by collecting media coverage which suggested a significant lack of value-alignment to Prosper and this was what formed the basis of the management team's divestment decision. However, when the divestment procedure was updated, it was decided to rescore Unilever anyway, despite the divestment already having been carried out. It is also important to note that Unilever was proposed at a time before the ESG matrix was created, a fact which contributed to the rescoring of the company. This rescoring was found to validated the divestment decision, as it was found generally that Unilever was not performing up to standard across all of E, S or G.

Engagement Letter Response:

In this case, since the company exhibited significant issues across environmental, social and governance standards, only grassroots change to Unilever's Compass strategy would counteract this evaluation hence, no engagement letter was sent.

Use of Divestment Proceeds:

The capital gains realised from the Unilever and Kingspan divestments will be reinvested to companies that we already hold in our portfolio who are our strongest ESG performers as evaluated by the Investment Panel. In this way, we will reallocate our capital from companies that are no longer aligned with our core values, to those that we believe are aligned and are clearly demonstrating ESG excellence. Necessary adjustment to the investment horizon will be made and the reinvestment will be incorporated to Semester 2's investment executions.

Strategic Relations and Student Engagement

In terms of Prosper expanding its footprint and spreading the philosophy of responsible investing this year was extremely successful. In August 2020, we hosted our first-ever online webinar with a guest speaker from the UN Principles of Responsible Investment. The purpose of this webinar was to engage with potential analysts for the upcoming academic year, explore the impact of the pandemic on ESG investing, and provide a taster of the content that the Analyst Training Programme teaches. Talking with a senior specialist at the UN PRI gave a great insight into where they see equity markets shifting towards and was a great reminder of Prosper's mission. This event was successful and achieved 78 registrations and around 50 people attending the session live. As well as this, we were invited to speak at the Future conference, an Edinburgh student-led conference aimed at giving students insights into industry professionals, potential career paths and some of the unique opportunities that Edinburgh offers.

We also co-hosted the annual Rethinking Capitalism event with Freshsight and the Buchanan Institute. The event welcomed a combination of private and public sector experts to discuss the role of impact-driven businesses in a post-COVID economy. It was a hugely insightful evening and gave students a chance to ask experts about socially conscious businesses and how they continue to play a more important role in the wider community.

Finally, we were invited to attend the Future of Sustainable investing conference (FSIcon) hosted by students at Brown University, who also run a sustainable investment fund similar to ours. The event was attended by multiple management team members, analysts and senior analysts. It brought together industry experts, policymakers and students together. Alongside speakers, they hosted a career fair alongside interactive workshops.



Strategic Goals 2020-2021

In terms of strategic goals set at the beginning of the 2020 Summer, the following outcomes have been achieved.

1. Accreditation for the management was researched and a relationship with the Chartered Management Institute (CMI) was established. The best option for future management teams to become accredited would be through becoming foundation chartered managers which would benefit team members through improving their employability and opens up further CMI qualifications to be obtained. Now that a relationship has been established, quotes could be easily attained if necessary.
2. The fixed income research was started this summer by the Investment Panel alongside the Head of Strategy but the research was completed by the Senior Analysts. This allowed Prosper to gain some clarity on the feasibility of adding social or green bonds to the portfolio. Although the decision recommended by Senior Analysts was to not invest, recommendations were made offering other options that could be researched by Senior Analysts over the next year or two. Most importantly, a new relationship with Craig Hart at King & Shaxon Ethical asset management (London) has been invaluable. He has been extremely insightful with exploring bonds and providing information, advice and support. Furthermore, he sat on the investment panel at the end of Semester 1 and was extremely impressed with the quality of the analyst pitches.
3. Finally at the beginning of Summer 2020, we were approached by some students at Oxford University to explore the feasibility of franchising or expanding our operations to Oxford University. A management team vote concluded that we were not comfortable with fully franchising with another University at this point given the age of Prosper and that not all of our internal processes were solidified at this point in time. However, we have agreed to offer help from a strictly advisory role and the relationship will be formalised over the summer months to ensure acknowledgement is given where necessary alongside protecting prosper's intellectual property.

4. Following a meeting with the Advisory Board, the idea of a network was suggested as a way to support similar student-led responsible investment funds. The purpose of this network would be to collaborate with other student-led ESG investment funds around the world. The main purposes being to promote the concept of responsible investing, identify new investment ideas and learn techniques that we could implement into our programmes. The intention would be to have virtual meetings once every 2/3 months at which different student-led organisations can present, share and collaborate to learn and improve. Our intention is to form this network alongside Brown University's student Sustainable Investment Fund to distribute the workload. The majority of the groundwork for this responsible investing network is complete and we hope that next year's management team can execute this over the summer.

5. Following on from the summer webinar, Prosper is currently looking further into collaborating with the UN PRI by becoming a network supporter of their work. This may open up future opportunities to attend conferences and participate in workshops and allow Prosper to learn more and improve the way we operate. A relationship with the UN PRI was established and this can hopefully be picked up by the incoming management team and achieved.

6. In the summer of 2020, Prosper made some improvements to its branding with the help of Edinburgh University student, Ryan Schuller. In addition to this, they also rebranded their website, ensuring all the necessary information was listed on the website.

In terms of future goals for organisational strategy, the network is a great opportunity for Prosper to expand its footprint and collaborate with US Universities. Their student investment funds are more mature than Prosper's and it would be a great learning opportunity for Prosper. It is therefore thought to be imperative that this student network is delivered alongside maintaining relationships with the CMI, King & Shaxon and the UN PRI. There is also some scope to complete some internal research on retention and the recruitment process as to whether this could be optimised to further ensure Prosper's long term stability.

Analyst Training Programme

The 2020/21 academic year has brought a huge amount of change across all aspects of life at Prosper. Perhaps the biggest of which was on the Training Program. A switch away from our usual in-person weekly training sessions to online training sessions saw us test a number of platforms before settling on Zoom. This allowed us to deliver course content to all of the analysts in the main room whilst having the option to split down into more intimate sessions led by the Team Heads. Engagement from analysts in an online format was a real worry for the training team at the start of the year, especially knowing that the last thing university students want to do after a full day of online learning is join another zoom call. By shortening the sessions, making short informative videos on certain topics, and holding Drop-In sessions to allow for both Western and Eastern time zones we made every effort to make the sessions as interactive and engaging as possible. We also had weekly feedback forms where analysts could report on what was and was not working well for them which we used to adjust the Programme to their needs. However, the program would not have been nearly as successful as it was without the hard work of the analysts and Team Heads.

Aside from the substantial operational changes this year, we have made changes to our analysis and some of the content that we teach. Whilst recognising that as a small investment fund we do not have the hardware, knowledge or technical capability to rival the financial evaluation that bigger firms can carry out we have added to the depth of our valuation analysis.



Our financial analysis is based on four themes; (1) growth and profitability, (2) balance sheet analysis, (3) return structure and (4) valuation. The main changes involve introducing a forecasting function to our analysis to explicate how companies will likely fare in future market conditions. Furthermore, we have introduced more valuation metrics to give a greater appreciation of a given company's valuation over time.

In the first semester, we were fortunate enough to be joined by some employees of Walter Scott and partners that gave an infinitely useful deep dive into financial analysis. In the second semester, we invited along some of the founders of Prosper and some ex Management Team members that currently work in the Asset Management industry for a similar session. It was brilliant for all members of Prosper to see ex Prosper employees thriving in their careers after university and that Prosper really had given them a jump start for a career in the finance industry.

Andrea Fernández Sanz - Exchange Scholar

This year, we were delighted to welcome our first ever Analyst outside of the University who joined us from Spain as part of the work experience offered by her scholarship. Andrea joined us during Semester 2 and was part of both our Analyst and Senior Analyst Programmes. We are extremely grateful for her insightful contributions.

"Thanks to a scholarship of excellence granted by the IMFAHE Foundation, this year I was able to enjoy a three-month stay at the University of Edinburgh and thanks to this I discovered Prosper Social Finance.

Being able to participate in the Analyst Training Program has been very gratifying as it has allowed me to broaden my knowledge of socially responsible investment and apply it to my final thesis at my host university. But not only that, but I also enjoyed learning about how Prosper itself operates. The fact that an investment fund is completely run by students is not something that exists in my region in Spain and for me, it was something very new from the beginning.

Thank you very much to Prosper's management team and all my fellow trainees for the wonderful welcome."




Senior Analyst Programme

For the Senior Analyst Program (SAP) this year, we tried to create a more rigorous plan of activities and work, setting deadlines for deliverables at the end of each Semester, to ensure that each round of senior analysts created a tangible piece of work. The work to be carried out over the course of the SAP was decided in the summer preceding this academic year and is shown below:

- Semester 1: Development and presentation of a financial literacy program for a group from the charity WomensAid and selected watch-list and portfolio stock re-evaluations
- Semester 2: Analysis of The Threadneedle UK Social Bond Fund (as part of an investigation into the potential for expanding Prosper's asset classes to include bonds) and the further development of financial literacy material

There were three major challenges that we faced when running the SAP this academic year: the move to online, the unpredictability of Senior Analyst numbers and inherently explorative projects. Regarding the move to online, the implications for the SAP were largely similar to those for the Analyst Training Programme (ATP). The informal discussion by which the SAP had typically operated in previous years is slightly more difficult to have in the online format and the opportunities for the Senior Analysts to socialise/interact were also more limited.

The second challenge we faced: the unpredictability of Senior Analyst numbers, was and is a more fundamental issue regarding the SAP. This year saw the largest ever number of Senior Analysts taking part in the SAP and was a very significant increase on the numbers from last year (e.g. there was 1 Senior Analyst in Semester 1 of 2019/20, there were 11 in Semester 1 of 2020/21). Yet since we determined the workload for the semester prior to opening applications, so that we could better market the SAP by informing potential applicants on what they would be doing, we were visualising a work schedule and associated deliverables with a limited idea of its feasibility. The challenge then became adapting the planned workload/deliverables to the number of Senior Analysts, which was in our case larger-than-expected. It was due to this issue that we decided to include two project streams in Semester 2, wherein Semester 1 Senior Analysts completed both pieces of work unseparated.



The third challenge was related to the nature of the work that the SAP carried out this semester: it was largely unprecedented and explorative. Financial literacy content, especially at the scale of this year, had not previously been produced at Prosper and, as such, these two semesters represent initial steps into a subject that Prosper has little experience in. Analysing the bond fund also represented an entirely new piece of work for Prosper: while we have a well-established research and execution mechanism for equities, nothing exists for examining/assessing fixed income or different asset classes in general. Explorative work like this is inherently more susceptible to unforeseen issues and so one of our main aims was to lay the groundwork for future projects; future management teams will be able to look back at the approaches taken this year, draw from them and ultimately make improvements if they choose to carry on with similar work.

Despite these issues, the SAP this year has been largely successful and both rounds of Senior Analysts were very positive about being involved. More detailed feedback on the SAP was given to us at a dedicated feedback session which ran at the end of Semester 2. The analysts' suggestions included a preference for more open projects (allowing more freedom and creativity in how they approach the task), more interconnectivity between project streams and the inclusion of further investments-related teaching. All suggestions have been summarised and will be passed on to the next management team for consideration.

The following two sections cover in more detail the activities of the SAP in each semester.

Semester 1

The deliverables for Semester 1 were the following:

- Financial Literacy: The development and presentation of a financial literacy program for a group from the charity WomensAid
- Investments: Selected watch-list and portfolio stock re-evaluations

The analysts' work involved expanding on a skeleton program of relevant topics that we had developed in the summer. It included sections on budgets, credit vs. debit cards and beginner-stage investing terminology, to name a few. They then converted their research into a presentation which they delivered towards the end of the semester.

Though we achieved the main goal for the semester, there was scope for improvement and, as a team, there were valuable learning experiences to be had from the issues that we faced.

Most fundamentally, there were significantly more Senior Analysts than expected. This resulted in a more-than-optimal number of presenters, as well as a greater dilution of workload than expected. As such, to accommodate for the larger number of analysts, topics were included in the presentation which were ultimately less relevant to the WomensAid group. While a solution to this could have been to reduce the number of presenters, we felt that each Senior Analyst should be given the opportunity to present.

We also came across the issue of what we are qualified to do and this had/has large implications for future financial literacy work that Prosper chooses to do. Essentially, we are unable to provide financial advice and, as a result, our work can only be descriptive, not suggestive. This is an aspect of financial literacy that future management teams will have to bear in mind, as it does limit the type of financial literacy work that Prosper can responsibly do.


The secondary aim of Semester 1 was stock re-evaluations. We selected green stocks from our watch-list of rejected stocks (green = passed the core-value alignment and ESG assessments) as well as some of the stocks from the portfolio which have exhibited very flat share-price trends for re-evaluation. This work involved analysts assessing ESG and core-value alignment developments since the time of pitching, as well as some financial/growth story analysis; those who analysed portfolio stocks had to assess whether the company had much remaining upside which could justify continued holding given their stagnant share price.

Semester 1 was a successful progression and expansion of the SAP from the preceding year. Though there were challenges, these all provided opportunities for learning and improvement which helped inform how we ran Semester 2 and, importantly, provide a basis for improvements next year.

Semester 2

For the second semester we decided to change the structure of the SAP following our experience of Semester 1 and its unprecedented number of analysts. Instead of having analysts do both financial literacy and investments work, we decided to separate these into two independent streams of work (or projects). Doing this, we felt more flexible in light of the fact that Senior Analyst numbers are unpredictable since even in the case of large numbers we would likely not surpass a workable number of Senior Analysts for both projects. The two subsequent deliverables for Semester 2 were, originally, the following:

- Financial Literacy: Develop financial literacy content targeted at the homeless and disabled populations
- Investments: Evaluate the compatibility of the Threadneedle UK Social Bond Fund with Prosper Social Finance, as part of the investigation into bonds as a potential new asset class



However, two weeks into the semester, it was decided to change the aims of the financial literacy group to creating financial literacy content for students, which could potentially be put on the website over the following months. This change in focus was proposed by the senior analysts themselves and agreed with by the team after our discussion sessions highlighted some major issues with our original plans. The most fundamental of these was our lack of ability to provide any material that could be construed as financial advice, since we are not qualified. In light of this fact, we had further discussions about the appropriateness of this specific focus for Prosper Senior Analysts and the result of these was an unanimously agreed-upon proposal from the Senior Analysts themselves to shift focus onto students. As we are all students, this was deemed a much more appropriate focus for the financial literacy group. The financial literacy group then set out creating content aimed at students, with the aim that this work could be put on the Prosper website as the beginnings of a “Student Financial Literacy Hub” section, which could then be added to over the coming years. Themes of the work included budgeting, beginner investing terminologies, as well as some content on sustainable living.

By the end of the semester, there was a significant amount of financial literacy content created, yet unfortunately this was still a small amount compared to the potential that could have been created. The two major reasons for this were, firstly, that we only changed the focus of the financial literacy group in week 2 of the program and, secondly, a few Senior Analysts had to pull out over the course of the semester. However, we still view the semester as a success, as it provides a basis for future student-related financial literacy content which we will relay to next year’s team.

The investments group’s aims remained the same as originally planned and constituted the first real attempt by Prosper to seriously investigate the potential of expanding asset classes to include bonds. Over the summer, some preliminary research by the team into the viability and eligibility of bonds was undertaken, which was further augmented by a series of discussions with a fixed income investor from the firm King & Shaxson. The result of this research was a realization of the inaccessibility of investing in single bonds, yet from these discussions we were informed of bond funds in general as being an opportunity to indirectly hold bonds and of The Threadneedle UK Social Bond Fund as one such instrument worth investigating.

As this was a fund with both a financial and social aim and whose manager, Simon Bond, was highly lauded by our contact at King & Shaxson, this was chosen as the instrument which Senior Analysts would assess. The challenge for the semester and for the Senior Analysts was subsequently to determine whether this bond fund was compatible with the core values and ESG standards of Prosper.

Within the fund prospectus, the issuers are given a social assessment of 'High: Green', 'Medium: Amber' and 'Low: Red'. The Senior Analysts were given all 22 of the 'Low: Red' holdings and assessed each one, following a similar research process used to evaluate potential equity investments that we teach in the analyst training program. The assessment involved both core-value-alignment and ESG aspects, as well as some more specific financial information such as the identified use-of-proceeds and any ringfencing mechanisms. General sections of the overall fund assessment included a manager review, a macroeconomic review of the UK bond market and the current credit environment, as well as a short report on how Prosper could integrate fixed income into its regular activities and provide work and involvement opportunities for further senior analysts/analysts.

Though the Senior Analysts concluded that the Threadneedle UK Social Bond Fund was incompatible with Prosper, we still regard this project as a success, the major reason being that this stands as the first real investigation of bonds as an asset class. A key takeaway is that, while this fund may not be suitable, this does not mean that the entire asset class of bonds is entirely unsuitable. Indeed, as social and climate bonds become more and more prevalent, it may become easier for Prosper to enter this space.



Social Impact

This academic year Prosper faced the challenge of COVID-19 and how to enact social impact in such an environment. Prosper's social impact in the wider community has been affected by this as plans to engage in wider volunteering became harder to achieve with third sector primarily focusing on how to adapt to survive.

Prosper has four branches of social impact: our analysts, our senior analysts, our investments and our partnerships. Our analysts consist of students from a range of different subjects, ages, and years joining our 8-week Analyst Programme or Senior Analyst Programme (SAP). This year we trained 48 analysts and saw our biggest cohort of SAP to date.

These programmes continued despite the pandemic and were fruitful in their occurrence thus our internal social impact was maintained to a similar standard as previous years. This year the Senior Analysts contributed a positive social impact towards Women's Aid by constructing a financial literacy recommendation programme. In previous years, senior analysts have been focussed on engaging conversations about the route that Prosper's future could take. However, this cohort achieved a tangible deliverable in creating and developing a financial programme for women in need. Our second cohort furthered Prosper's mission of positive social impact in their development of financial literacy 'for students by students.' This creates greater positive social change within the university by creating a portal within which students can refer to for information on finance that may have previously appeared inaccessible.

Our investment philosophy remains strong, with positive social impact at our core. This means that our investments are focused around ESG analysis – environmentally, socially and governmentally friendly. As we teach our analysts, we hold this value at the very centre of our teaching and thus our proposals are designed to understand these principles and therefore our investments are only ESG friendly and contribute to a positive social impact.

This year a focus on measuring social impact has been taken. This included attending PwC masterclasses in social impact which led the way for Prosper's own development of 'Impact Pathways' as well as tools for measuring social impact. These tools streamline Prosper's understanding of its social impact on analysts.

Impact Pathway& Social Impact Visualization

Impact Pathway Calculation Flow:

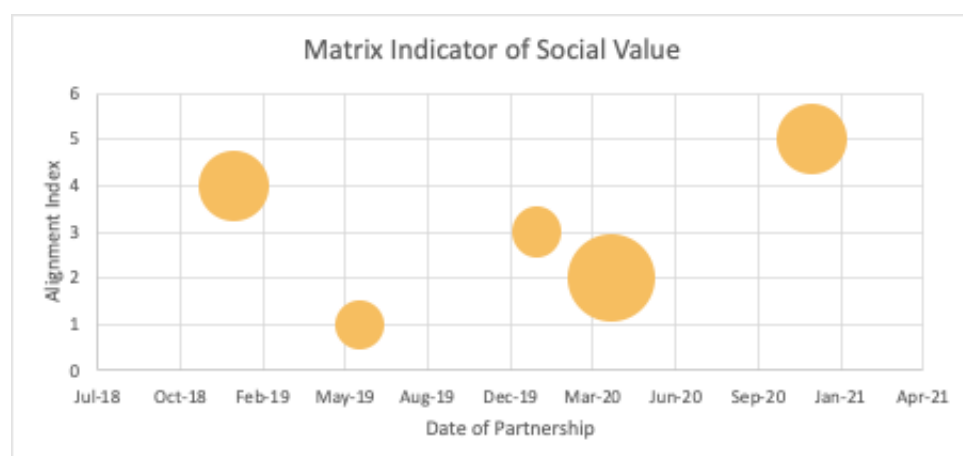
The impact pathway outlines measure financial understanding and skills gained, weighting them according to the HACT measurement of social impact. Using primary surveys from this cohort and a secondary survey from the HACT database, we were able to calculate this flow. The calculation for the Semester 2 cohort of analysts indicates a positive impact of 14.2% of potential impact. This tool can now be used by future Prosper to gauge where needs improvement in the analyst programme and contribute to Prosper's maturity.

	Participants in Programme	Average Months Participating	% Knowledge after programme - % knowledge before programme	Attribution of Increase in skills	Wellbeing Value (HACT database)	
Ideal	24	3	100	100	100	72000000
2021 Sem2 Cohort	24	3	28.10	50.67	100	20152549
Percentage of Potential Impact						14.24%

Social Impact Visualisation:

Prosper has also worked towards measuring the impact it has in relationships with the wider Edinburgh community. This resulted in a matrix that indicates the alignment of potential partnerships on the y axis, the size of donation from Prosper to the partnership is indicated by the size of the bubble and the date of commencement of Partnership is indicated on the x axis. This matrix helps to indicate to the wider community the impact that Prosper is in its collaboration with the third sector.

Overall, these measurements can be taken further by future Prosper teams and can be adapted to measure all branches of Prosper's social impact.



Nb. The bubbles indicated here should be considered an example case as Prosper's funds are yet to mature.

1. Management Team Turnover

Prosper's annual turnover of management team members is undoubtedly one of our greatest assets but also continues to be a tangible risk. We continue to mitigate it in the following ways.

- a. Removal of UK Nationality Restriction for Executive Director – As one of the most significant and demanding roles in Prosper's Management Team, it is essential that a suitable candidate willing to take on the responsibility is chosen. This year, we faced with the risk of not finding a suitable candidate who could legally hold a Directorship in the UK. To mitigate for this, we devised an alternative management structure which makes use of the Advisory Board to ensure those on Tier 4 student visas who cannot legally be directors can still hold the responsibilities outlined in the Executive Director role. This solution not only mitigates for risk but significantly enhances Prosper's management inclusivity.
- b. Improved Documentation – We continue to compile, update, and refine our internal documentations on the fund's processes and responsibilities of respective management positions. These documents significantly assisted last year's virtual handover which we anticipate will have the same effect this year.
- c. Remote Working & Company Culture – Due to the COVID-19 pandemic Prosper operated completely virtually over the last year. The Management Team were never able to physically meet in person which adds additional strain to our processes. To mitigate for this, technology platforms were formally established, and regularly used to ease communication between the Team. We also held numerous virtual socials to uphold company culture and enhance morale.
- d. Advisory Board – Prosper's Advisory Board has continued to be a very successful structure for this year's Management Team. The Advisory Board were significantly useful in assisting the Management Team during the absence of the Executive Director due to poor health.
- e. Workload Balance – As all members of Prosper's Management Team are full-time students, finding a healthy balance of workload has been challenging at times. However, the addition of a new role, Head of Strategy, significantly helped balance workload. To further balance workload across the Team, several of Prosper's activities were designed as optional projects which Team members could undertake over the year depending on their workload.

2. Investment Risks

Prosper currently invests in European and North American equities which can either increase or decrease in value

- a. Rigorous Screening Process – We continue to subject all stocks that are invested in our portfolio to the rigorous screening process necessitated by our investment strategy. Our financial evaluation stage has been made more rigorous with the help of the financial evaluation spreadsheet introduced to our analysts by Walter Scott. We have also formalised the process by which industry professionals offer outside perspective to our Investment Panel during the investment pitches.
- b. Formalised Tracking Protocols – We fully implemented and expanded the ‘Stop-loss procedure’ developed in the case of underperforming stocks, both in terms of their finances and ESG behaviour. This year, two companies that raised concern on their ESG behaviour were comprehensively evaluated through this procedure by the Management Team.
- c. Portfolio Tracking Tool – Over the last year, we have fully implemented a software tool that automatically pulls in key data on all the stocks in our portfolio, ESG news and our stop-loss protocols. This facilitates the tracking of our portfolio, which is anticipated to grow over the coming years.
- d. Portfolio Weighting Tool – To aid the Panel’s decision on the weight new investments hold in Prosper’s portfolio we have developed a Portfolio Weighting Tool which ranks various weighting combinations based on the Sharpe ratio (volatility of share price) and ESG performance. This tool was developed as part of a general effort to codify our operations however, final investment decisions will continue to be based on the Panel’s judgement. To ensure this, we have developed a detailed protocol document outlining the intended use of this tool to ensure it does not infringe on our passive investment strategy.
- e. Investigating Portfolio Diversification: Alternative Asset Classes – The ongoing COVID-19 pandemic has highlighted the risks of an equity only portfolio. To mitigate for this, our Management Team has conducted detailed research into fixed income investments. Prosper’s Senior Analysts also conducted detailed research into a social bond. Despite their research concluding against a potential investment, further evaluation of fixed income is worthwhile. This has been recommended as a Senior Analyst project to next year’s Management Team.
- f. Investigating Portfolio Diversification: Geographical Restrictions – The geographical restriction to invest solely in European and North American equities outlined in our Articles of Association was removed. The implementation of this change will be a key project for the incoming Head of Investment Strategy.

3. Security and Prosper Use of University Funds

We understand that the University needs to be sure that any funds given to Prosper will be used in the way intended as outlined in our Memorandum of Understanding. No significant changes were made over the last year.

- a. CIC Structure – Being a community interest company, limited by guarantee, ensures that funds can only be used for our stated mission and only in the interest of the community which we aim to serve. As indicated in our articles of association, if at any point we should fail to meet our legal requirements as a CIC, all funds would be returned to the University of Edinburgh Development Trust (Charity No.: SC004307)
- b. Directorship Roles – Three members of each year's management team are named directors on company's house. This spread of responsibility ensures an even balance and the need for majority vote on any important legal or accounting decisions.
- c. Account Access – Only the investment team continue to have access to the trading account we use to manage our portfolio. The Executive Director has the legal right to place trades. For both the trading account and operational bank account, we have best practice security protocols in place to protect access to these accounts.

4. Legal and Accounting Risk

As a company, we continuously ensure that we meet all the legal and accounting requirements imposed by law are met.

- a. Relationship with LaunchEd – We continue to have a good relationship with the University's LaunchEd service. Their advice on potential franchising opportunities and offer to hold our company office in the University's Student Enterprise Hub has been exceptionally helpful.
- b. Independent Accountant – We are very pleased to announce that we have successfully secured the services of an independent accountancy firm, Jay Shah & Co., who can file our Corporate Accounts and Tax Return. Their services will be compensated and although this will result in an increase in Prosper's administrative fees, our expenses for our website and marketing have been cut to ensure this increase is minimal. Securing the services of Jay Shah & Co., overcome Prosper's ongoing issue to find an affordable, independent accountant who would be able to guarantee their services annually.
- c. Leveraging Partners and Contacts – We continue to use our large number of industry contacts and connections with local social enterprise service providers for support regarding legal and accounting issues.

5. Cash Flow Risk

Prosper continues to be a financially stable business, our administrative fees ensure that we meet our operational cash flow needs.

- a. Careful Budgeting and Planning – Careful budgeting and planning continues to be standard practice to ensure we remain cash flow positive. Reduced costs and increased efficiency in spending of funds has enabled us to spend less than the proposed budget.
- b. Efficient Spending of Funds – Prosper's main revenue source remain the administrative fees which covers all our operational cash flow needs. We continuously strive to make this fee fair and reflective of our needs, to ensure that Prosper's programmes remain inclusive for students. Over the last year, we significantly reduced our marketing costs by choosing a platform that can host our website at no cost. This was reflected in lowering our admin fees for the year. We did this by creating a formula to calculate administrative revenues which accurately reflect our operational costs. The formula provides the framework for future Management Teams to adjust the administrative revenue based on their costs. We also reduced marketing costs and revised the original budget to reflect that.

Value Added Calculation

The Social Responsibility and Sustainability Department of the University has generously given Prosper Social Finance £50,000 to invest in North American and European Equities over the next 5 years. Prosper has targeted annual growth of 3 percent over this 5-year period with the profit being used to benefit the local community. If the SRS office was to invest the £50,000 in their own funds, they would expect a compound annual growth rate of approximately 8 percent. The average growth rate of Prosper's investments is equal to 7.6 percent. The difference in the return between the two growth rates is £1350 over the 5 years [1].

The rest of this section estimates the value added to both students and the reputation of the university by Prosper's operations over a one-year period, excluding our investments' return. Please refer to the numbered points below for greater detail and a breakdown of each.

12 Month Benefit Breakdown of Prosper Social Finance Operations					
Operation Category	Number of Employees	Number of Hours (per person)	Estimated Wage per Hour (In £)	Number of Students Engaged with	Total Benefit (In £)
Analyst Training Programme [2]	2	64	7.94 [4]	49 (24 in sem 1, 25 in sem 2)	1016.32
Senior Analyst Programme [3]	4	48	7.94 [4]	24 (11 in sem 1, 13 in sem 2)	1524.48
Management Team [5]	10	88	7.94 [4]	-	6987.2
Mentors [6]	2	32	7.94 [4]	-	508.16
Events	Number of Attendees	Ticket Price		Total Benefit	
'Building Better After the Pandemic: An Introduction to ESG Investing'	37	Free		Intangible reputational value for the university and opportunities for attending students	
'Edinburgh University Virtual Consultancy and Investment Evening'	20	Free		Intangible reputational value for the university and opportunities for attending students	
'A Trend or the New Norm? - An Introduction to Socially Responsible Investing' as part of the FUTURE Conference 2020	5	Free		Intangible reputational value for the university and opportunities for attending students	
Rethinking Capitalism: The Role of Impact-Driven Businesses in a Post-COVID Economy	20	Free		Intangible reputational value for the university and opportunities for attending students	
Impact Summit 2021 - Prosper Social Finance Exhibition	N/A	Free		Intangible reputational value for the university and opportunities for attending students	
Further Outreach [7]	49 contacts	N/A		Intangible reputational value for the university and opportunities for attending students	
Total Benefit:				£ 10036.16 (+intangible value)	

[1]

$\text{SRSFundEstimatedReturn} = £50000 \times 1.08^5 = £73466$

$\text{Prosper Estimated Return} = £50000 \times 1.076^5 = £72116$

Difference is £1350 over the 5 years = £270 a year

[2] **Analyst Training Programme** - would require two paid tutors to deliver this service working 64 hours each over the course of one year, including:

- 32 hours of training sessions (2 hours per week, over 16 weeks):
 - Training 49 student analysts on
 - the basics of financial accounting, investment management, equity analysis, ESG analysis, business and macroeconomic analysis
 - Soft skills such as presentation, teamwork, time management
- 32 hours of drop-in Q&A sessions (2 hours per week, over 16 weeks)

[3] **Senior Analyst Programme** - Four management team members working approximately 48 hours each over the course of one year:

- Hours breakdown:
 - 2 hours of formal meetings per week for 16 weeks
 - additional 1 hour of independent work per week for 16 weeks.
- Benefits include:
 - Further involvement in Prosper's operations, investment activities and social impact
 - Development of transferable skills including leadership and project management

[4] **Minimum Hourly Wage** - The minimum hourly wage in the UK as of April 2021 for adults between 18 to 20 years is £6.56; for adults between 21 to 22 £8.36, and for adults older than 23 years £8.91 . Given that students at the University of Edinburgh are aged approximately 18 to more than 23 years, we took the average and estimated an hourly wage of £7.94.

[5] **Management Team** - Ten management team members working approximately 88 hours each over the course of one year.

- Hours breakdown:
 - 2 hours of formal meeting per week for 22 weeks
 - additional 2 hours of independent work per week for 22 weeks.

- Benefits include:
 - Further understanding of finance, investment management, equity analysis, ESG analysis
 - Introduction to the day to day operations of a registered company
 - Exposure to an innovative, entrepreneurial business environment
 - Development of soft skills including leadership

[6] Mentors - Two mentors working approximately 32 hours each over the course of one year

- Hours breakdown:
 - 1 hour of formal meetings per week for 16 weeks
 - additional 1 hour of independent work per week for 16 weeks
- Benefits include:
 - Involvement in Prosper's Analyst Training Programme
 - Consolidating existing knowledge of finance, investment management, equity analysis, ESG analysis
 - Exposure to an innovative, entrepreneurial business environment
 - Development of soft skills including team work

[7] Further Outreach

- Since Prosper's inception, we have collated a list of 49 professional contacts who work across many industries (asset managers, social enterprise founders, consultants etc.)
- Many of them have attended and led Prosper sessions, spoken at our events and helped us develop our investment strategy adding further value to us
- They also provide networking opportunities, career advice, internships and potential careers for students involved with Prosper
- Former analysts have gone onto work for some of our contacts
- Operating under the name of the University of Edinburgh increases the presence of the university amongst these professionals
- Fostering valuable relationships with initiatives and social enterprises that may end up benefiting from the profits the fund will accrue

Advisory Board

We want to thank our advisory board members Tasha Jayabalan and Will Hinckley for your contributions to Prosper! Your support of the management team, as well as the advice and guidance that you provided throughout the last two years were incredibly valuable.

We wish you all the best for your future!

We also want to thank Duncan Harris and Jack Friend for your ongoing support and advice.

We look forward to working with you for another year!

Angus Sandison

Head of Strategic Relations - 2018/2019

Hey! My name is Angus and I was part involved in Prosper during its first two years. I joined initially as part of the guinea-pig pool of analysts and then as Head of Strategic Relations in my 4th year.



Since leaving Edinburgh in July 2019, I have moved out to Singapore to work as an investment analyst focusing on the Asia-Pacific region. The firm I work for has always had a strong sustainability focus but particularly so in terms of governance. We frequently talk about Asia being both a gold-mine and mine-field. The investment universe consists of countries which are among the most vulnerable to environmental challenges, suffer from severe inequality and can be highly susceptible to corruption. Therefore, when investing in companies in the region, we look for quality companies lead by management teams that address these challenges head-on and, as a result, deliver better outcomes for all stakeholders.

Prosper has totally shaped my career path. Not only did it teach me the basics of responsible investing but it introduced me to an area of finance which was both thoughtful and purposeful. The experiences Prosper afforded me have meant that as an inexperienced junior I can still sit with company management teams and openly discuss their businesses and the key sustainability challenges and opportunities.

In summary, Prosper has given me a foundation, confidence and some very fond memories to take into working life. I certainly wouldn't be where I am today without it!

Rosalind Lu

Founder, Head of Investments - 2017/2018

Head of Training - 2018/2019



Hello! My name is Rosalind. I have co-founded Prosper Social Finance in 2017/18 whilst I was in my second year of doing an Economics and Economic History degree. At Prosper's launch, my role was Head of Investments where I worked on developing Prosper's investment strategy and ESG philosophy. During 2018/19, I was Training Manager and was in charge of delivering an 8-week training programme to prepare each cohort of analysts on topics such as financial fundamentals and ESG investments.

Since graduating from Edinburgh University in 2020, I have moved to London where I'm now working in Barclays as an investment banking analyst. Currently, I'm in a team that does capital structure advisory and issuance of hybrid bonds into the primary market, where we have seen the rise of green and sustainability-linked bonds in recent years.

My experience at Prosper was instrumental to my choice of career and personal development. Being part of Prosper and working on the different roles has shaped me to work in a fast-paced, challenging field with confidence. Working with a great team at Prosper also gave me valuable lessons on multitasking, relationship management and it is fair to say, my own values on bridging finance and social impact were solidified along the way. Furthermore, the skills and exposure that the Prosper experience provided is unlike anything else in the University, and is something I'll always carry with me on my own career path!

Introducing Next Year's Team

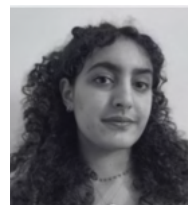


Executive Director - Irem Sara

"I am a fourth year Economics and Mathematics student. I have first-hand experienced the mixture of economic development and instability in emerging markets which led me to wonder if finance can be used to achieve long-term sustainable growth. Being a part of Prosper since my first year at the university, I am proud to witness and contribute to the growth of the fund, as well as our expanding impact on the local communities. I look forward to widening Prosper's engagement with students and social enterprises, and continuing to deliver positive social change through our responsible, student-led investments."

Head of Strategy - Sara Galy

"I am a third year Economics and Politics student. I got involved with Prosper out of curiosity into how the financial industry can have a positive impact and have been engaged with Prosper since first year. I am looking forward to see how we can further build Prosper's community and increase our impact in a meaningful way."



Head of Operations - Carla Appel

"I am a fourth year Business and Economics student. I joined Prosper because I wanted to strengthen my financial skills and expand the ways through which I can create positive social impact. As the next Head of Operations, I am very excited to support Prosper's transition into post-covid reality while continuously seeking opportunities for making operational improvements."

Head of Investment Tracking - Albert Doyle

"My name is Albert Doyle and I am in my second year at Edinburgh University, studying an MA in Geography. I am really pleased to be the Head of Investment Tracking at Prosper, having joined as a Junior Analyst last semester and gaining a lot of technical ability. Coming from a non-Finance degree background it was really encouraging to see that this did not disadvantage me in any way. I hope to encourage other students from a diverse range of degrees to join and improve upon the transparency of the work we do at Prosper Social Finance, hopefully using some of my data analytics skills!"



Director of Investment Strategy - Charlie Denton

"I am going into my 4th year at university studying Economics with Finance. I completed the analyst program this past semester because I was interested in the concept of sustainable finance and it has only furthered my enthusiasm for ESG investing. I look forward to exploring new markets and asset classes for Prosper and further refining Prosper's investment strategy."

Head of Training - Nikita Nandanwad

"I joined Prosper to improve my own knowledge about socially responsible investing and the future of ESG. For next year, I am excited to help improve knowledge of the financial world among people from diverse academic backgrounds, and to deliver a positive social impact on the local community."



Head of Training - Cosmo Mwamwembe

"I am a third year (going to fourth) Chemical Engineering student. After benefiting tremendously from the analyst training and, later, senior analyst programs, I was more passionate and proud of the wonderful work Prosper has been doing. And now I look forward to passing on what I've learnt while devising a more adaptable and creative training program."

Head of Social Impact - Zoe Fredrickson

"I am a fourth year Philosophy and Politics student from Washington, DC. I joined Prosper in my second year because I found the world of finance pretty intimidating. I was drawn to Prosper's accessible, compassionate, and sustainable approach to teaching financial essentials and to its commitment to positive social impact. Over the last two years, Prosper has challenged my perception of finance and taught me how it can be utilised as a force for good. As Head of Social Impact, I am excited to expand Prosper's reach to students and social enterprises in Edinburgh by strengthening community engagement."



Director of Strategic Relations - Serena Grover

"I am a third year Economics student, with a particular interest in sustainable finance. Prosper has developed my understanding of how to critically assess ESG stocks, through analysis of financial metrics and ESG criteria. I look forward to expanding Prosper's presence within the wider community through partnerships with other universities and industry experts."

Head of Marketing - Sofia Gilardini

"I am an Italian-Argentinean second-year Mechanical Engineering student. I joined Prosper to find out more about ESG investing and to meet a diverse range of people with this common interest. I learned a lot thanks to the team at Prosper, and I am looking forward to encouraging a new range of students to do the same."



Thank you!

Thank you for taking the time to read through this report. Please do not hesitate to get in touch if you have any questions or concerns. We may be contacted by email at operations@prospersocialfinance.co.uk.

We would also like to express our gratitude to the University of Edinburgh for their continued support. The growth and development of Prosper would not be possible without the belief they have shown in us and the financial support we receive. On behalf of this year's Prosper Team, thank you.