

PRESS RELEASE

Sydney, 19th December 2022– La Trobe Financial Asset Management Ltd’s Operational Due Diligence Rating affirmed as ‘Superior’

Foresight Analytics has reviewed and affirmed its Operational Due Diligence Rating (ODD Rating) of [La Trobe Financial Asset Management Limited](#) (LFAM) as ‘**Superior**.’ This reflects the ongoing investment of the La Trobe Financial group in its human resources and risk and compliance practices, in addition to the ongoing financial backing from Brookfield Asset Management and a further strengthening in corporate financial performance. The La Trobe Financial Group’s key business as a wealth manager and credit specialist is to originate loans and offer investors (institutional and retail) an opportunity to invest in those loans secured by registered mortgages and other credit assets.

A ‘**SUPERIOR**’ ODD Rating is the highest available rating from Foresight Analytics’ ODD Rating Scale; it reflects the superior capacity of an operating party to perform its operational role and assist the Fund in meeting financial obligations.

LFAM is wholly owned by La Trobe Financial Pty Limited and forms part of the La Trobe Financial Group of companies. On 31 May 2022, entities associated with Brookfield Asset Management (‘Brookfield’) acquired the La Trobe Financial Group from the former shareholders. The La Trobe Financial Group is now 100% owned by Brookfield and management. Brookfield Asset Management is a leading global alternative asset manager with approximately US\$725 billion of assets under management. Of note, in 2019 Brookfield Asset Management acquired a majority stake in Oaktree Capital, 1 of the largest players in global private debt markets.

Foresight Analytics analyst, Rodney Lay, said “We regard this ownership structure as a credit-and-ratings positive for the operational capability of LFAM. As part of the transaction, there have been no material changes to the day-to-day operations, credit process, or investment strategy of the La Trobe Financial Group. Similarly, there have been no changes to the La Trobe Financial executive team. Where there were changes, Mr Chris Andrews, previously Deputy CEO, succeeded Mr Greg O’Neill as CEO and, secondly, the appointment of 4 additional appointees to the Board of the appointed holding company as a business-as-usual matter, with 3 Blackstone Directors and the previous Managing Director Greg O’Neill retiring from the Company”.

He further added “The affirmed ‘Superior’ ODD Rating is a very positive reflection on the management of 7-key operational risk factors at La Trobe Financial, the resilience of the Fund throughout the pandemic and ongoing initiatives to deliver best of breed services to clients”.

LFAM has been managing retail investment funds successfully for over 30 years within the broader group, which has been operating in the space since 1952. This success is attributable to a combination of factors, including the experience and culture of its people to undertake their respective roles ethically and in line with documented processes and procedures.

LFAM is part of the La Trobe Financial Group and has 4 internal directors (Rowan Donohoue, Chris Paton, Martin Barry and Chris Andrews) and a majority-external Independent Compliance Committee (John Marriot, Chairman, Gerard Parlevliet, and Chris Paton). Though aspects of LFAM’s operations are overseen by each of La Trobe Financial’s Divisions, the retail funds management operations reside within the Asset Management Division. This Division is led by Chris Paton, Chief Investment Officer (joined La Trobe Financial in 2017).

The La Trobe Financial Group has a 59 strong Executive team, 17 of which have been appointed during the current financial year, reflecting more broadly strong human resourcing growth. Longer-standing Executive team members have a high average tenure at the La Trobe Financial Group, indicative of strong team stability.

The full report can be obtained by emailing info@foresight-analytics.com or accessed via Foresight 360 digital platform at <https://www.foresight-analytics.com/f360/>.

Find out more about Foresight Analytics’ Operational Due Diligence by visiting www.foresight-analytics.com

About Foresight Analytics' Operational Due Diligence Rating (ODD Rating)

An Operational Due Diligence Rating assesses the capacity of an operating entity, special-purpose vehicle, or asset (collectively “operating party”) to effectively undertake its defined role of managing the operational risks relating to a pool of financial or physical assets. The ability of an operating party to carry out its role, be it in a superior, adequate, or poor manner, ultimately will have a bearing on the performance of the pool of assets. The overall ODD Ratings assigned by Foresight Analytics is underpinned by 7 risk factors – Ownership, Management talent, Governance, Risk & Compliance, Asset & Data security, Systems & Technology and Financial agility.

The assessment covers operational responsibilities and oversight undertaken for a pool of assets retained by the owner, or alternatively a pool of assets that underlie a debt issue or managed fund. The assessment addresses how much the operating party enhances or potentially detracts from the ability of the asset pool to pay interest and principal on a specific security as and when due, or the fund’s ability to distribute income according to the Product Disclosure Statement (PDS). It should be noted that operational risks generally exist in addition to credit, market, and liquidity risks.

Foresight Analytics Operational Due Diligence Rating (ODD Rating) Scale & Definitions

ODD Rating Scale	ODD Rating Definitions
Superior	A rating of ‘Superior’ reflects the superior capability of an operating party to perform its operational role and assist the issuer or fund in meeting financial obligations in a timely manner. An operating party’s superior capacity is supported by many superior and reliable operational abilities and strong financial status.
Very Strong	An assessment of ‘Very Strong’ reflects the very strong capability of an operating party to perform its operational role and assist the issuer or fund in meeting financial obligations in a timely manner. An operating party’s very strong capacity is supported by many very strong and reliable operational abilities and some superior qualities.
Strong	A rating of ‘Strong’ reflects the strong capability of an operational party to perform its operational role and assist the issuer or fund in meeting financial obligations in a timely manner. An operating party’s strong capacity is supported by many strong and reliable operational abilities and some very strong qualities.
Adequate	A rating of ‘Adequate’ reflects the adequate capability of an operational party to perform its operational role and assist the issuer or fund in meeting financial obligations in a timely manner. An operating party adequate capacity will support its role, but its resilience to expected operational or financial changes is limited.
Weak	A rating of ‘Weak’ reflects the weak capability of an operational party to perform its operational role and assist the issuer or fund in meeting financial obligations in a timely manner. The operating party’s weak capacity displays material, operational, financial or risk management and compliance deficiencies.
Failure to Perform	Assigned when a party contracted to perform an operational role has failed to meet the required standards and terms and conditions of the contract.

The full research report is available to registered users of the Foresight 360 Digital platform. The platform can be access via www.foresight-analytics.com

Media Contact – Foresight Analytics

Rodney Lay, Analyst
Suite 208, 33 Lexington Drive, Bella Vista, 2153, NSW
Telephone: 0435 610 293/ 02 8883 1369
Email: rodney@foresight-analytics.com
Web: www.foresight-analytics.com

About Foresight Analytics

Foresight Analytics, an independent Sydney based firm, provides investment diligence, data analytics, and advisory solutions to leading investment management companies, superannuation funds and wealth groups across the Asia Pacific. Foresight's innovative, evidence-based approach blends both human and forensic insights to provide a range of analytical, predictive and market intelligence solutions to investors. Foresight Analytics was founded in 2015 by Jay Kumar, a former executive of Morningstar, Optimix Investment Management, ANZ Wealth & Private Bank and the Reserve Bank of Fiji.

Foresight's fiduciary solutions includes Diligence Services (Investment, Operational, ESG & Risk Diligence), Data Analytics and Asset Consulting. Foresight's fund strategy solutions include Data Analytics for asset managers, Fund Strategy Benchmarking Solutions and Strategic Research.

For more information on our capabilities, please visit our website on www.foresight-analytics.com and social media platforms via [LinkedIn](#), [Facebook](#) or [Twitter](#).

For additional analyst insights, thematic research and market commentaries, please visit our website on www.foresight-analytics.com and streaming channels [YouTube](#) and [Podcast](#).