

# Manager Announcement

June 2018

SEI New ways.  
New answers.®

## Laurus Brings Benchmark-Agnostic, High-Conviction Approach to SEI Canadian Small Company Equity Fund

Laurus Investment Counsel (Laurus) has been added to the SEI Canadian Small Company Equity Fund (the Fund). Laurus is a benchmark-agnostic investment manager that focuses on companies with strong management and business models that benefit from the power of long-term compounding. This strategy aligns with our stability alpha source.

### Addition of Laurus

#### What They Do

Laurus describes its investment philosophy as “quality at a reasonable price.” The investment team focuses on companies with high-quality management teams that have a sustainable competitive advantage. The team looks to buy these companies at a discount to intrinsic value. Laurus thinks long-term and believes the best way to outperform is to invest in high-quality companies with sustainable business models by not overpaying and letting the businesses compound over time.

#### How They Do It

Laurus’ investment universe is Canadian equities with market capitalizations between \$100 million and \$3 billion. The team looks for companies that have a sustainable competitive advantage, strong cash flow generation and strong management team. They believe there are only about 50 companies under \$3 billion in Canada that meet their criteria.

The portfolio is benchmark-agnostic and conviction-weighted. It will be fairly concentrated with 25 to 40 holdings, diversified by sector. The portfolio tends to always be underweight resource stocks, given its focus on stability.

#### About Laurus

Laurus Investment Counsel was founded in May 2014 and is based in Toronto, Canada. As of December 31, 2017, the firm had CAD\$411 million in assets under management.

#### Why We Chose Them

- **Experienced portfolio manager:** Portfolio manager Chris Page is an industry veteran. He has been involved in Canadian small-cap equity management for over 20 years.
- **Strong team culture:** All four investment team members at Laurus are passionate investors who are intellectually curious. The team’s process of rigorous research and discussion has provided strong risk mitigation to the strategy.
- **Deeply-researched, high-conviction portfolio:** Within Canada, there are only around 50 names that meet Laurus’ criteria. The concentrated, low-turnover strategy allows Chris and the team to do a deeper level of research than many peers.

## **Important Information**

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