

January 2026

Built on Strength, Focused on the Future

Annual message from CEO, Tom Powers

To Our Valued Clients, Business Partners, Friends, and Employees:

As we close out the year and look ahead, I'm inspired by our clients' trust, the strong relationships that propel our business, and the dedication of our investment professionals and staff. The past year was marked by change, yet the firm not only navigated these shifts successfully, but emerged stronger and better positioned for the future. This resilience underscores the power of collaboration, innovation, and a shared commitment to excellence. As we look ahead, the opportunities before us are limitless, and our focus remains on delivering lasting value. Thank you for being an essential part of our success.

I also want to extend my sincere gratitude to Co-CEO, [Bill Roberts](#) who has retired after 31 years of dedicated service to GW&K. His vision and commitment have left a lasting impact, and we wish him every happiness in his retirement.

2025 Market performance: resilience amid uncertainty

Overall, 2025 was a year that tested markets with uncertainty while highlighting the critical role of innovation-driven growth. Cash provided stability, but not growth. For investors, staying invested, rather than waiting on the sidelines, proved more effective in capturing market upside and long-term value creation. [Fixed income reaffirmed its role as a source of income and stability](#), supported by higher starting yields and evolving rate expectations. Across credit and duration, markets rewarded disciplined security selection and risk awareness. After early-year weakness, the [municipal bond market rebounded in the second half of 2025](#), driven by improving technicals, positive fund flows, and easing policy uncertainty, with strength building through late summer and fall. Equity markets also performed well over the year, driven by a combination of earnings growth, investor confidence, and continued innovation across select sectors, particularly those related to technology and artificial intelligence (AI).

Strengthening our investment capabilities

Embracing change creates new opportunities and strengthens our ability to adapt and thrive. At the heart of GW&K is a belief that our people, and the teams they form, are our most enduring advantage. With that in mind, we continue to invest thoughtfully in our investment capabilities. In February, we welcomed Portfolio Manager [Brett Kozlowski](#) to our Taxable Bond Team. His contributions have been invaluable in enhancing our strategic portfolio positioning as we continue to deliver exceptional results for our clients. We are also planning for the retirement of our esteemed Taxable Bond Portfolio Manager [Mary Kane](#) in September 2026. Mary has overseen the implementation and execution of all GW&K's taxable fixed income strategies. During her tenure, assets have grown from \$700 million to over \$6 billion.

In response to our clients' needs, we partnered with AMG to expand our investment vehicle line up in 2025. The [AMG GW&K Securitized Bond SMA Shares Fund \(GWSBX\)](#) expands on our commitment to delivering value for our taxable bond clients. We also launched our first ETF, the [AMG GW&K Muni Income ETF \(MUNX\)](#). Another

new investment vehicle features our small cap growth capabilities, via the [AMG GW&K Small Cap Growth Fund Z \(GWSZX\)](#).

Laying the groundwork for continued growth

Our efforts this past year were a continuation of two important previously made changes: 1) The addition of CFO [Brian Maguire](#) to complement our established Finance & Administration department, and 2) the launch of our Enterprise Data and Analytics team, led by tenured GW&K partner Bryan Scott. In 2025, with their knowledge and oversight, we unified our Client Service and Operations teams into one Investment Administration function. This integrated team builds on GW&K's reputation for exceptional client service while advancing operational excellence. Together, these two leaders have been instrumental in helping shape GW&K's future — navigating our systems upgrades and setting our Investment Administration team up for continued success.

Unlocking new possibilities with artificial intelligence adoption

[AI](#) presents compelling opportunities for investment organizations that approach it with clarity and care. Our goal is to harness innovation in ways that reinforce our culture and enhance the value we deliver — while remaining firmly grounded in transparency and good governance. Our Enterprise Data and Analytics team has played a critical role in this regard — driving innovation, ensuring data integrity, streamlining processes across the firm, and incorporating AI into our workflows. We feel the organizational changes we've made position GW&K to deliver sustained value and a competitive edge well into the future.

A highlight of 2025 was being named one of [Pensions & Investments' Best Places to Work in Money Management](#) for the fifth consecutive year. I am grateful to our employees for the collaborative, supportive culture and commitment they bring to the firm every day. We continue to invest in strengthening our culture through training opportunities, empowered affinity groups, community partnerships, and a robust mentorship program.

While the changes we experienced in 2025 brought challenges, ultimately it was a year of resilience and opportunity. As our Founder-Chairman, Harold Kotler, recently remarked in his [quarterly letter](#): "Time and again, history has shown that people adjust, improve, and grow. Our resilience as citizens of the world comes from our ability to adapt, expand, and ultimately figure things out." Change is inevitable; leadership is defined by how we embrace it.

As we enter 2026, we do so with optimism, energy, and a renewed sense of purpose. Thank you for your trust. May this year bring inspiration, growth and success in every endeavor.

Warm regards,



Thomas F.X. Powers

CEO