



June 2023

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

As we close in on our first year as co-CEOs, we wanted to take a moment to reflect on where GW&K's been and where we see the firm moving. Although we had worked together as co-presidents since 2006, we stepped into the co-CEO roles during a turbulent time for the markets and the world at large.

Yet despite the challenges of the past 12 months, those who predicted light at the end of the tunnel in 2023 have been more right than wrong. The markets have improved, inflation is slowing, the Fed has pushed the pause button on raising rates for now, and the CDC declared an end to the Covid-19 public health emergency. Throughout it all, innovation and our client-centric approach have remained in sharp focus. We see endless potential for the firm and are energized and excited about its future.

Here are some highlights:

### Product Expansion

We have always been thoughtful and disciplined in growing our product line. We are not ones for getting out ahead of our skis. Since our earliest days we have been focused on developing a continuously successful lineup of over 30 actively managed strategies to meet the needs of a diverse client base.

Our strength is focusing on inefficient markets where we can not only find value, but add value with the application of in-depth, independent research and sustainable, replicable investment processes. We are not fad followers. Our steps are deliberate and measured. Our focus is on long-term performance, not the flavor of the month.

Our expansion into global equities highlights this thoughtful process. After having established ourselves as a top domestic small and small/mid cap manager, we hired a team in 2014 to help launch non-US small cap products. Our International Small Cap and Global Small Cap Strategies have produced excellent track records and have earned the attention of consultants, helping us to attract nearly \$500 million in new assets during the last year. Combined, these strategies account for \$1 billion in assets under management.

We're proud to be an organization that consultants, institutions, pension funds, and advisors trust and want to partner with, as we actively seek new opportunities in asset classes and investment styles that complement our current strengths.

### Private Wealth Buildout

We believe that having a diversified business structure across asset classes and business channels benefits all our clients. After years of focusing on deepening our institutional and advisory businesses, we are excited about the opportunities we see in growing our Private Wealth business, which currently represents about 8% of our assets under management, or nearly \$4 billion. With our five-decade-long history of serving private clients and our successful investment track records, we want to be top of mind for clients looking for a trusted wealth partner.

To accomplish this, we've added senior talent to the Private Wealth team and broadened our offerings to provide clients with guidance on tax, estate, trust, philanthropic, and individual/intergenerational wealth planning. And to enhance and modernize the client experience, we are excited to have recently implemented a secure digital hub, giving clients access to comprehensive portfolio reporting and a view of their total wealth picture.

### Investing in Our Business

Given our growth initiatives, we've made significant investments in technology over the past year, partnering with leading technology platforms to keep our operations secure, nimble, and state of the art. An example is our investment in a new client relationship management system. This will enhance our ability to deliver a customized service experience and will elevate collaboration across our organization. We continually assess the state of our business infrastructure to ensure our foundation is strong and is designed for future growth.

### Culture

Like all good businesses, GW&K is built on relationships, so without a doubt, our strong corporate culture and the quality of our people have been leading contributors to our long-term success.

For the second consecutive year, GW&K was named one of the *Best Places to Work in Money Management* by Pensions & Investments. We see this recognition as a testament to our truly collaborative, client-first corporate culture. Perhaps it will come as no surprise then that 40% of our employees have been with the firm at least 10 years and 25% have been with the firm at least 15 years. We believe this continuity is key when it comes to delivering quality service and highly competitive investment performance.

So, as we wrap up our first year as co-CEOs, we're confident that GW&K is well-positioned for future growth, and we're excited to see what the second half of the year and beyond brings in terms of new opportunities and new client relationships.

Thank you for the role you continue to play in our success. If there is anything more we can do for you, please let us know. We appreciate your trust in us.

Best Regards,



Thomas F.X. Powers  
Co-CEO



T. Williams Roberts, III  
Co-CEO