FTI Consulting’s Annual Global Survey of 550+ Senior Private Equity Leaders

PRIVATE EQUITY VALUE CREATION INDEX 2026

The Value Creation Edge

Secrets of Private Equity’s Top Performers

EXPERTS WITH IMPACT™

FTI CONSULTING™

Private equity is at an inflection point. Firms can no longer buy cheap and lever up — they must build value from the inside out.

For the first time, the second annual survey of 550+ senior PE leaders isolates the "outperformers" consistently exceeding their business case. These firms have moved beyond financial engineering to accelerate value through commercial intensity, AI-amplified execution and M&A discipline.

VELOCITY. EXECUTION. GROWTH.

“Velocity is a key differentiator in value creation. Firms are realizing value faster across all levers, but outperformance comes from pairing that speed with disciplined execution and focusing resources on the highest-impact growth levers.”

Scott Bingham
Senior Managing Director,
Global Co-Leader of Transactions

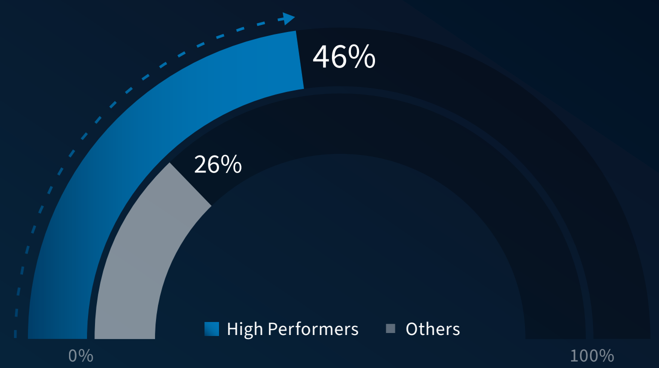
Key Findings

HIGH PERFORMERS DRIVE GROWTH

What High Performers Do Differently | p. 04

Deploying **commercial levers at nearly 2x** the rate of their peers.

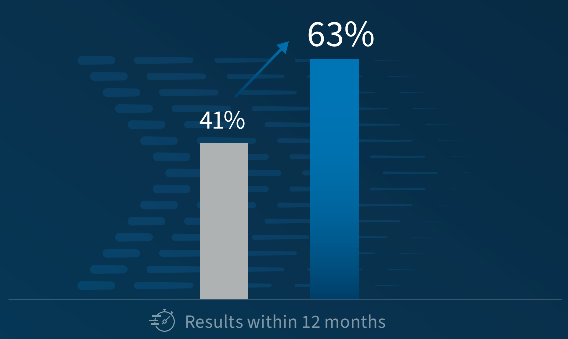
- Pricing optimization
- Sales force & marketing
- Market expansion
- Customer health



SPEED-TO-VALUE

Faster Value Realization | p. 07

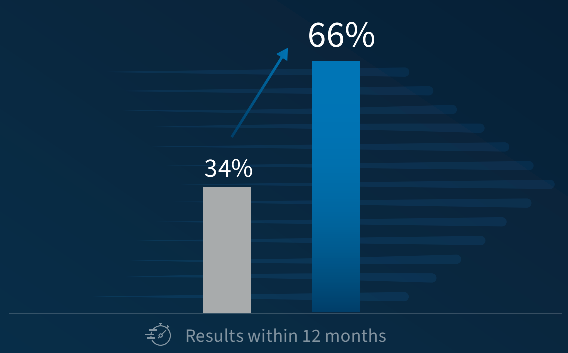
63% say that levers now deliver tangible impacts within 12 months on average, up from 41% the prior year.



AI ACCELERATION

AI: From Experiment to Execution | p. 09

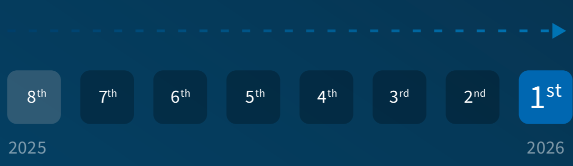
66% of respondents now see tangible impact from AI within 12 months — nearly double the prior year.



M&A PRIORITY

M&A: The Breakout Lever | p. 12

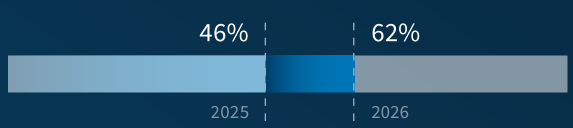
#1 M&A climbed from last to first priority in one year, and 51% of firms are exceeding their M&A business case.



TOP EXIT FACTOR

Exit Readiness | p. 16

62% Margin expansion is cited as the most critical factor for value at exit, up from 46% the prior year.



What High Performers Do Differently

Defining High Performers

High performers are the respondents who reported that their portfolio companies, on average, exceeded their business case or expected investment returns over the past 12 months. This group represents 40% of the overall respondents.

What Sets These High Performers Apart?

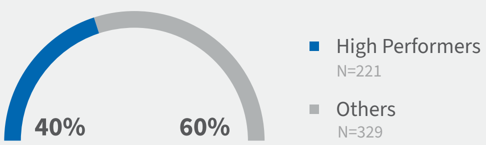
Five behaviors distinguish them: stronger outcomes from workforce effectiveness, a more intense focus on commercial levers, disciplined M&A execution, institutionalized playbooks and AI deployed as an amplifier rather than a standalone initiative.

THE HIGH PERFORMER FORMULA

“High performers don't win on strategy alone. Instead, what separates them is tying that investment thesis to a cohesive value creation plan and executing against it relentlessly. It’s about taking an activist approach to value creation, not a passive one.”

Jan Timmermann
Senior Managing Director, UK Private Equity Operations Value Creation Lead

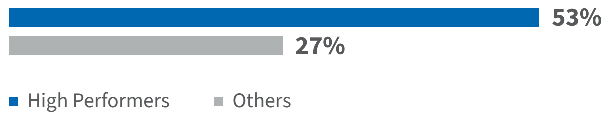
Defining High Performers



Note: Performance is self-reported, with the methodology capturing perceived portfolio outcomes rather than audited returns.

1. They Get More From Workforce Effectiveness

Workforce outcomes exceeded expectations

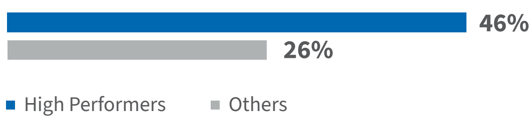


53% of high performers exceeded expectations on workforce effectiveness initiatives, compared with just **27%** of others — the widest outcome gap of any lever in the survey by 26 percentage points. This points to a broader shift in how firms approach talent. Rather than defaulting to leadership changes when performance falters, high performers are investing more deliberately in developing and optimizing their existing teams to drive results.

The difference often comes down to focus. High performers are redesigning incentive structures, redeploying talent to value-creating roles and using AI-enabled workforce analytics to catch productivity gaps before they show up in the P&L.

2. They Use Commercial Levers More Aggressively

Commercial levers used "very often"



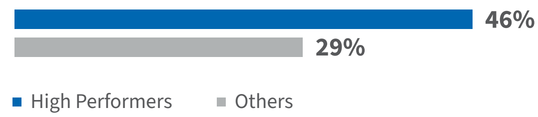
High performers deploy commercial levers, pricing optimization, sales force effectiveness, market expansion and customer health at nearly twice the frequency of their peers.

The gaps are consistent and significant across pricing optimization (**43% vs. 24%**), sales force effectiveness (**53% vs. 29%**) and customer health (**42% vs. 24%**). This reflects a systematic approach to revenue protection and growth that begins during diligence and builds through the hold period.

Commercial Levers Usage: High Performers vs. Others

3. They Execute M&A With Discipline

M&A implementation rated "smooth"

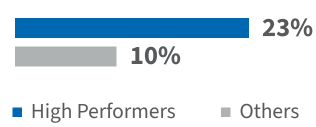


46% of high performers rate their M&A process, from initial deal thesis through subsequent add-on activity, as highly efficient compared with just **29%** of others. The gap can be seen in post-close execution and in maintaining discipline to the original deal thesis as the investment evolves, rather than in the deal sourcing or thesis development stage.

In practice, high performers create momentum early, using the sign-to-close period as a critical execution window to secure access to management, conduct confirmatory diligence and pressure test the deal thesis while building detailed value creation plans. Operating partners are then quickly embedded alongside management to execute against a well-defined plan, enabling immediate and focused execution rather than a period of drift.

4. They Institutionalize the Playbook

Playbooks highly standardized

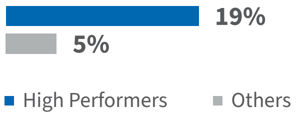


High performers are **2.3x more likely** to maintain highly standardized playbooks (**23% vs. 10%**). In practice, the performance is less about the playbook itself and more about having the operational know-how to execute value creation plans with speed and discipline, focusing on the initiatives that move the needle and align to the timing of the investment thesis.

They build strong core capabilities, including clear governance, decision frameworks and execution discipline, that bring both speed and consistency while adapting to the unique complexity of each deal. It's likely why M&A implementation runs nearly twice as efficiently for high performers as it does for everyone else.

5. They Get Results From AI, Not Just Activity

AI exceeded business case



Of high performers, **19%** exceeded their AI business case, compared with just **5%** of others, a **3.8x gap**. The difference isn't adoption rates, which are similar across both groups, but rather that high performers have a robust AI strategic direction, a deep AI talent bench and a governance and operating model that guides and accelerates the application of AI on high-impact levers such as pricing, cost structure and workforce.

Among the high performers, the top three AI-enabled levers in 2025 — pricing optimization, workforce effectiveness and cost structure optimization — are also their top priorities for 2026, signaling that they have found what works and are doubling down.

In practice, this means applying AI to real decisions by dynamically optimizing pricing and discounting, identifying cost reduction opportunities across operations and procurement, and improving workforce productivity through better forecasting and resource allocation.

Faster Value Realization

Faster value realization is now an imperative. Across all respondents, 63% report levers now deliver measurable impact within 12 months on average, up from 41% the prior year. This trend is consistent across geographies and firm sizes, suggesting a real structural shift rather than an anomaly.

That acceleration is reshaping how value creation is planned and executed, from diligence through exit. Engineering velocity into every stage, not just the first 100 days, is becoming the standard, not the differentiator.

Where Speed is Most Evident

Time-to-Value: Delivering Results Within 12 Months

* Not asked in 2025

Operational Levers Deliver Early Margin Headroom To Fund Longer-Cycle Bets

Cash conversion, cost structure and supply chain all benefit from well-established playbooks, making them reliable quick wins. For operating partners, these levers should anchor the first-100-days plan, as they generate the early cash flow and margin headroom that funds the longer-cycle commercial and M&A plays.

What's Driving the Speed

Firms can no longer bank on multiple expansion alone as the simple route to value creation. They need to generate value quickly, hit the ground running at close and compress hold periods to deliver the returns that LPs expect. Several forces are making that possible, including standardized playbooks reducing the need for reinvention across deals, AI and automation removing manual bottlenecks and firms increasingly front-loading value creation from Day 1.

M&A is an Exception

The most prominent exception is M&A. Despite its high prioritization, M&A remains the slowest to deliver results, with expectations for near-term value declining from 2025. With return benchmarks meaningfully lower than prior cycle peaks, firms are focused on building value and moving assets, even if the yields fall below original expectations.

THE ONE-YEAR LITMUS TEST

“You must show real results within the first year or you’re falling behind. Full stop. The imperative now is velocity, compressing hold periods, accelerating EBITDA growth and linking pre-deal diligence directly to Day 1 execution.”

Samuel Aguirre
Senior Managing Director, Head of Latin America

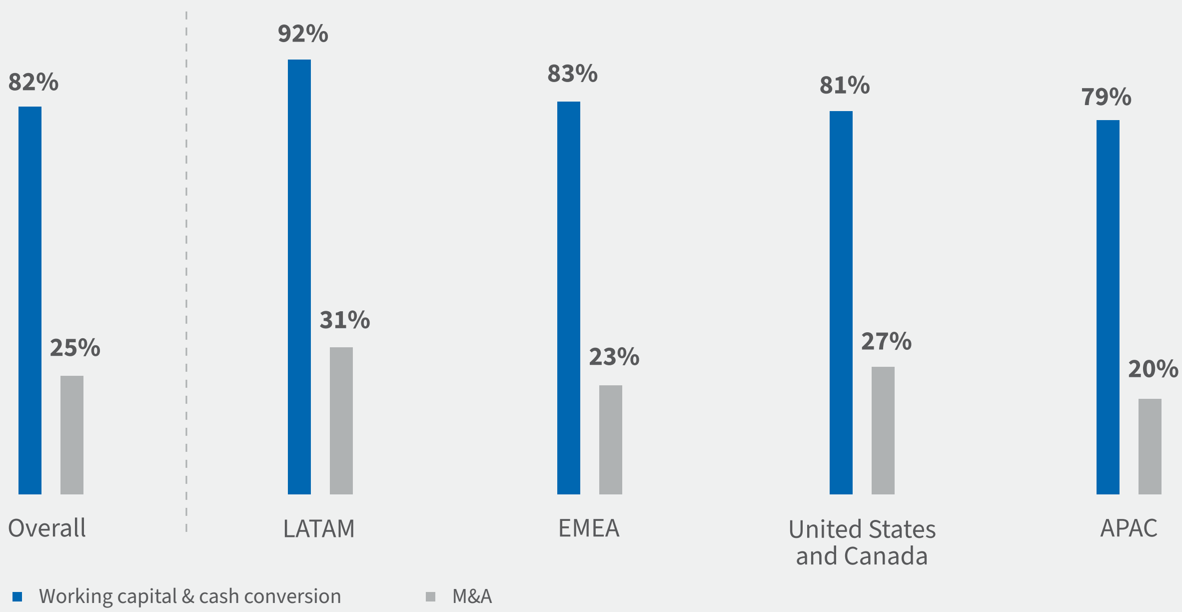
REGIONAL SPOTLIGHT:

Speed Isn’t Uniform

The gap between fast and slow levers is consistent across every region, but the magnitude varies. Latin America (“LATAM”) reports the fastest time-to-value for financial levers, with 92% seeing cash conversion results within 12 months (vs. 82% overall).

Meanwhile, M&A remains universally slow, but the gap is starkest in Asia Pacific (“APAC”), where just 20% see near-term M&A results, compared with 31% in LATAM and 27% in the United States and Canada. The Europe, Middle East & Africa ("EMEA") region sits close to the global average, with 83% seeing near-term cash conversion results and 23% for M&A.

Time-to-Value by Region: Working Capital and Cash Conversion vs. M&A



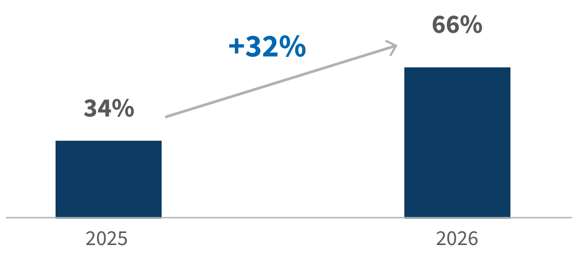
AI: From Experiment to Execution

The 2025 edition of the Private Equity Value Creation Index identified AI as the industry's top disruptor, but highlighted that adoption was slow and execution quality ranked near the bottom of value creation levers. Just one year later, that picture has shifted materially — though not uniformly.

The clearest signal of progress is speed. **66%** of firms now see AI-driven results within 12 months, up from just **34%** in the prior year. At the same time, use cases are increasingly concentrated on revenue growth. With findings from FTI Consulting's 2026 Private Equity AI Radar showing 41% of AI use cases now target revenue growth, compared with the 24% focused purely on cost reduction. This reinforces AI's role as a commercial value creation lever.

AI Time-to-Value Has Nearly Doubled

AI Value Within 12 Months



But, Speed Isn't the Same as Maturity

Faster results should not be confused with smooth execution. Just 31% of respondents report efficient or mostly efficient implementation, with **48% describing it as "mixed"** and 21% noting it was difficult or very difficult. The contrast with back-office technology is stark, with **notably only 1% reporting "very efficient"** AI implementation, compared with 11% for back-office technology.

This seeming contradiction is a sign of where the industry sits on the adoption curve. Firms are getting to measurable impact faster because they're concentrating AI on a narrower set of proven use cases, such as pricing, cost structure and workforce effectiveness. But, scaling those across the portfolio — building the data governance, organizational alignment and governance to expand AI consistently across the enterprise — remains a work in progress.

AI is Layering Onto the Hardest Levers and Delivering

A key pattern in the data is that AI isn't being deployed as a standalone lever. It's layered onto the commercial and operational plays that are often the hardest to implement. Pricing optimization, which saw the largest year-over-year increase in frequency of use, is a clear example. AI enables firms to execute pricing strategies with the data intensity and speed that manual approaches just cannot match.

Among high performers, this is even more pronounced. The top three AI-enabled levers seen in 2025 — pricing optimization, workforce effectiveness and cost structure optimization — are also the top lever priorities for 2026, signaling that high performers have found what works and are doubling down.

The result is that **19%** of high performers exceeded their AI business case, compared with just **5%** of others — a **3.8x gap** driven not by higher application rates, which are similar across both groups, but likely by more deliberate application of a robust strategic direction, deeper AI talent and a governance model that concentrates AI on high-impact levers rather than spreading it thin.

Pricing Optimization Leads in AI Adoption, Despite Being the Hardest To Implement

Levers Ranked Against AI Enhancement, Difficulty of Implementation and Frequency of Use

Lever	AI-Enhanced	Difficulty	Change in Frequency of Application (YoY)
Pricing optimization	51%	HIGH	▲ 18pp
Sales force & marketing effectiveness	47%	MED	▼ 7pp
Cost structure optimization	45%	MED	▲ 1pp
Supply chain, procurement & operations	40%	LOW	▼ 11pp
Workforce effectiveness	35%	HIGH	*
Customer health & churn prevention	33%	MED	▲ 3pp
M&A	32%	HIGH	▲ 9pp
Cash conversion & working capital	31%	MED	▼ 5pp
Product & market expansion	29%	HIGH	▼ 1pp

*Not asked in 2025

Note: "Difficulty" reflects overall implementation experience for each value creation lever (not AI-specific) and is shown on a relative basis.

What This Means for Exit Readiness

The market has already absorbed this lesson. AI maturity as a standalone exit factor collapsed from 59% to just 12% year over year. This doesn't mean that AI is irrelevant to the exit story: It means buyers have stopped treating AI readiness as an independent value driver and now expect it to be embedded into operational results. You need to demonstrate how AI underpins your margins, growth story and market position. You cannot lead with "AI-enabled" anymore.

The top enablers to improve portfolio company management execution — strategic alignment on value levers (36%), data quality and reporting (33%) and management incentives (33%) — point to foundational gaps that can impede AI implementation at scale. Without clean data, aligned leadership and the right incentive structures, even the best AI use case stalls at the pilot stage.

Explore the 2026 Private Equity AI Radar for a deeper look at how AI is reshaping value creation across the investment lifecycle, from deal selection through exit.

THE VALUE CREATION PLAN

"A quantified, execution-ready value creation plan matters more than ever. Beyond the hype, robust revenue fundamentals remain the bedrock, while AI has become a practical enabler to drive a business and secure a successful exit."

Michael Weyrich
Senior Managing Director, Head of EMEA Transformation

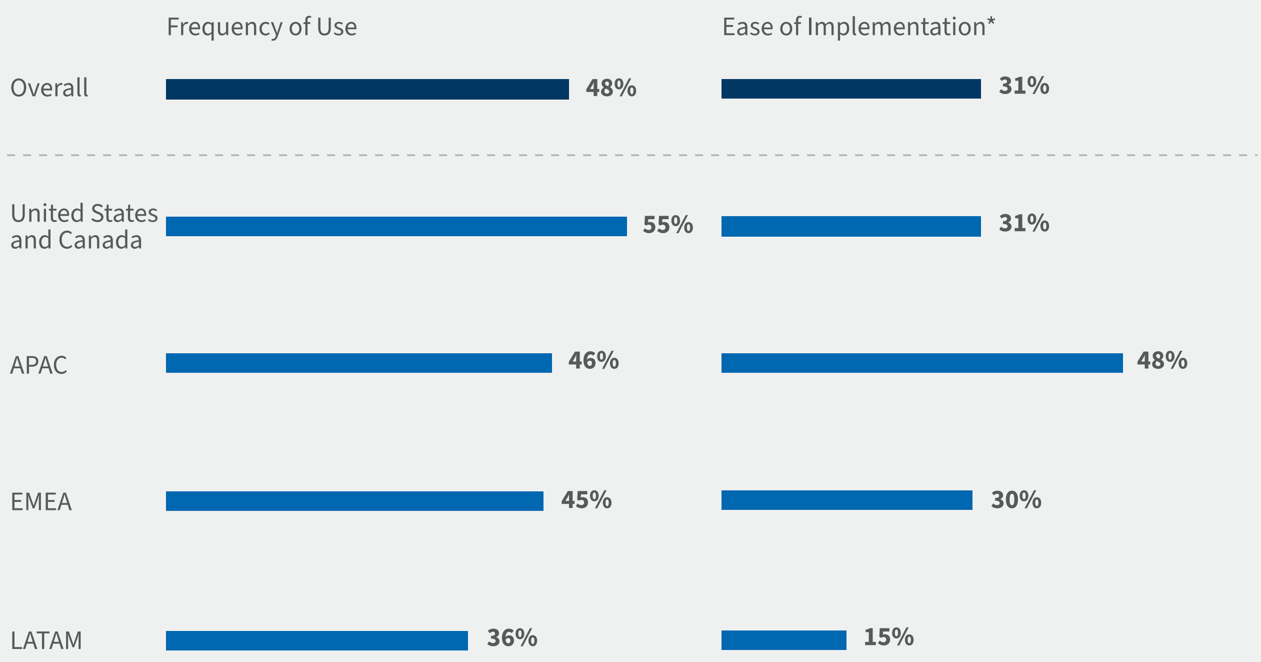
REGIONAL SPOTLIGHT:

AI’s Uneven Global Footprint

The United States and Canada lead AI adoption at 55% (vs. 48% overall), while LATAM sits at 36%. The most striking divergence is in implementation, with APAC reporting 48% efficient implementation — more than triple LATAM's 15% — highlighting strong execution when deployed. Value creation is splitting into two paths: Firms integrating AI into complex operations are generating outsized returns, while those who are resistant reach a performance ceiling that will get tougher to overcome as AI-amplified levers become the norm in the United States, Canada and EMEA.

However, lower overall AI adoption and broader gaps in technology enablement suggest this may be difficult to scale across all regions.

AI Performance Varies Dramatically by Region



*Described as having a mostly easy (some challenges but manageable) or very easy (minimal friction) implementation experience.

M&A: The Breakout Lever

No lever has moved more dramatically year over year than M&A. After ranking **last** in prioritization in 2025, M&A has become the **highest-priority lever heading into 2026**. Not because firms changed their view of its importance, but because conditions improved enough to move. Greater stability in the cost of capital, clearer tariff visibility and a more predictable regulatory backdrop have given dealmakers the confidence to act.

The Numbers Tell the Story

Priority Ranking

2025 #8 → 2026 **#1**

+7 ranks

Ranked #1 Value Generator

2025 7% → 2026 **24%**

+17 points

Exceeded Business Case

2026 **51%**

#2 top performer

M&A's rise reflects a broader shift in the PE value creation thesis. With organic growth harder to come by in a high-rate, low-multiple environment, strategic acquisitions — including add-ons, tuck-ins and vertical integrations — have become a primary growth engine. The firms getting it right are treating M&A as a disciplined capability, built across both the initial acquisition and subsequent add-on activity.

Execution Remains the Achilles' Heel

Only 35% described M&A implementation as efficient or very efficient, making it the most difficult lever to implement. Integration complexity, valuation gaps and cultural friction continue to hamper deal execution, yet 51% of firms are exceeding their M&A business case, underscoring that the returns are there for those who get execution right.

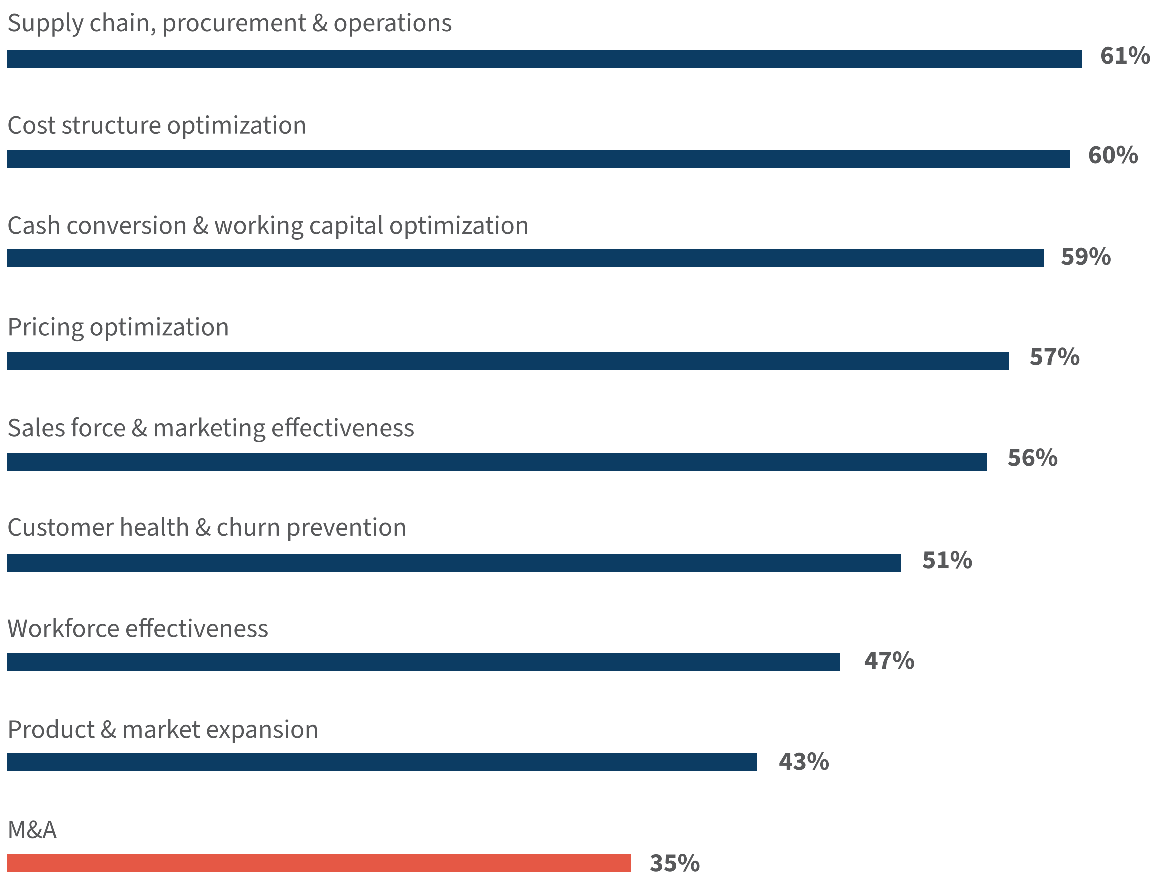
M&A EXECUTION IS THE MOAT

"The firms capturing outsized returns aren't doing more deals: Instead, they're building a core competency for M&A. For 2026, the highest ROI is in investments made in the first 100 days of execution post-close, with integration playbooks, cultural alignment and dedicated PMO capabilities turning acquisition volume into compounding value."

Todd J. Smith
Senior Managing Director, Leader of Merger Integration & Carve-Outs

Those who do get it right are the ones who stay true to the deal thesis through post-close execution and add-on strategy rather than those who overpay. When external conditions or new information require a change, adjustments are deliberate and grounded in clear strategic rationale, not simply reactive or driven by competing priorities.

Overall Effective Implementation by Value Creation Lever



INDUSTRY MATTERS:

M&A Isn’t One-Size-Fits-All

M&A performance against expected returns varies sharply by sector. Retail and insurance lead at 63%, followed by life sciences (60%) — sectors where bolt-on strategies and platform consolidation have clear playbooks. Healthcare, despite heavy M&A activity (77% frequency), sees just 44% exceeding expectations and only 32% with efficient implementation, a gap that signals integration complexity in this regulated and fragmented market.

INDUSTRY SPOTLIGHT:

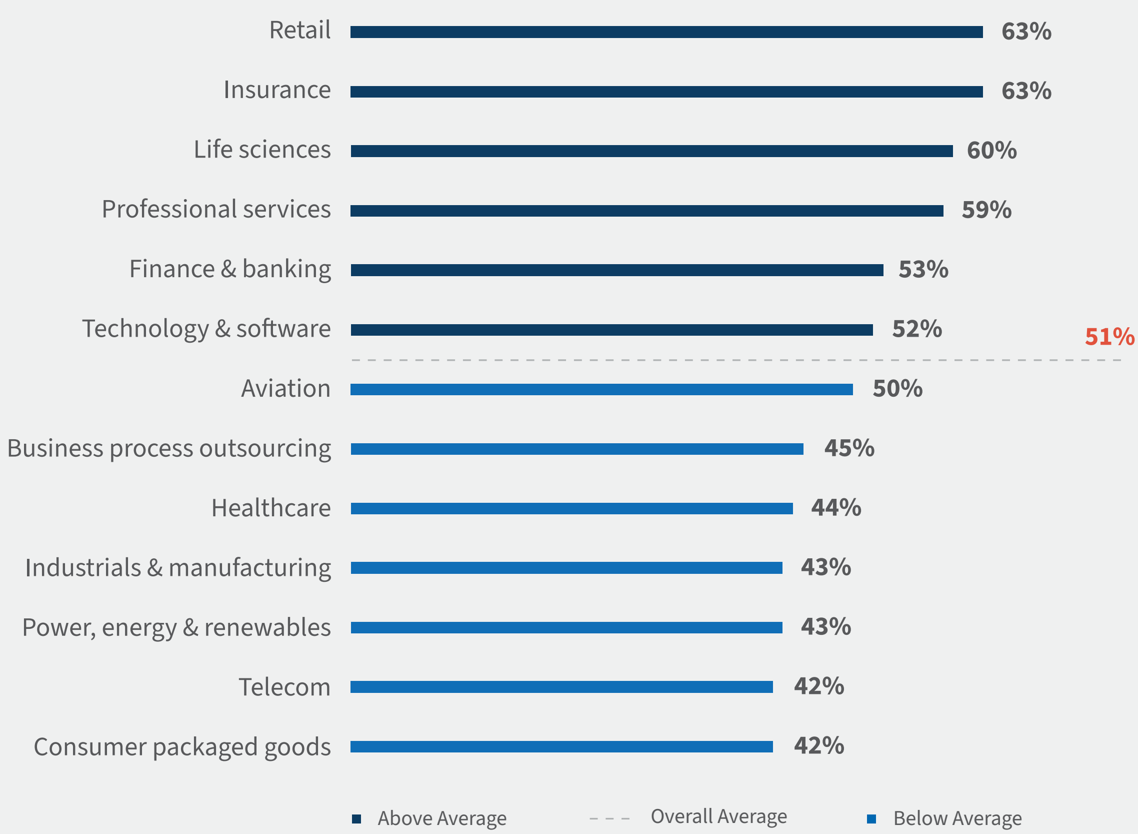
Technology and Software

Technology and software perform just above average in M&A value capture, with 52% reporting deals exceeded the business case. More notably, technology firms are the most effective M&A executors, with 42% describing implementation as efficient (vs. 35% overall). With 79% M&A frequency, the sector has built stronger integration capabilities that other industries are still developing.

Consumer Packaged Goods (“CPG”)

At just 42% exceeding their M&A business case, CPG ties for last across all industries. Consumer deals backed by strong brands tend to get bid up quickly, particularly in competitive processes with significant capital chasing a limited set of assets. Valuations can reflect brand equity rather than earnings fundamentals. As a result, growth assumptions can outpace underlying category dynamics and post-acquisition performance disappoints. In contrast, retail’s more repeatable playbooks, like pricing and merchandising, may drive more consistent outcomes.

M&A: Exceeded Business Case by Industry



REGIONAL SPOTLIGHT:

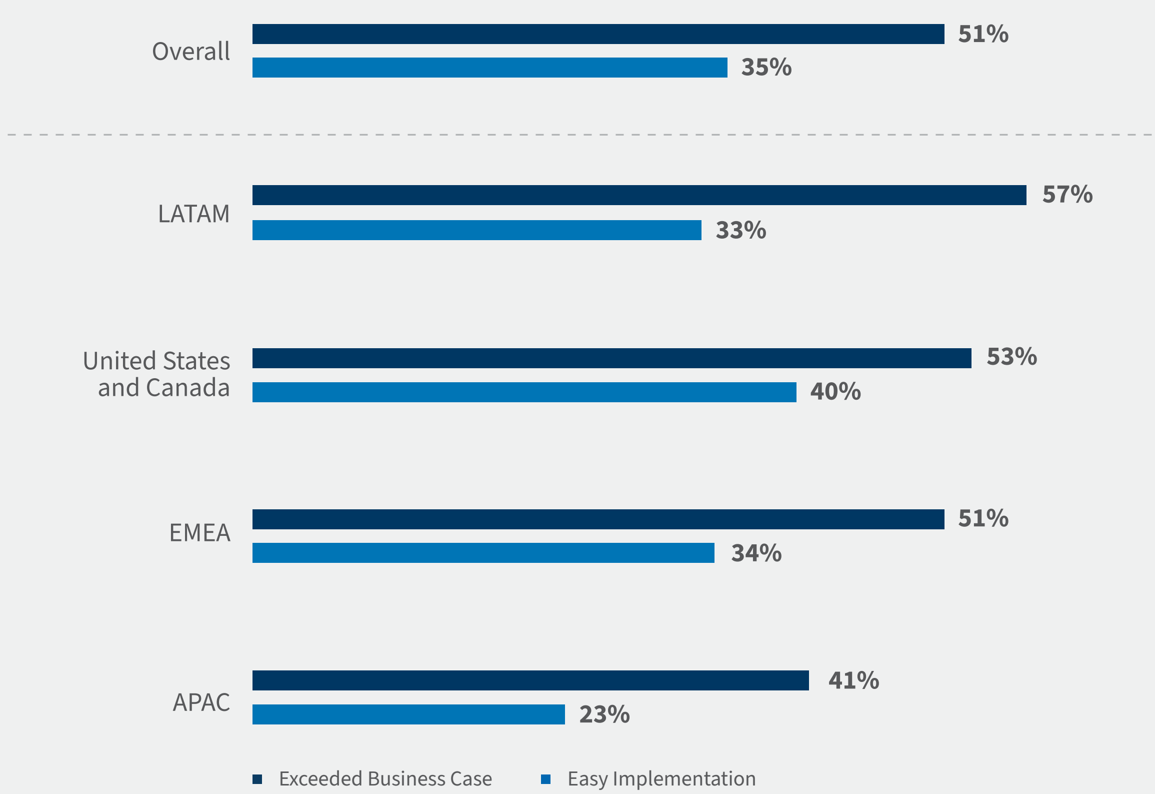
M&A Execution Across Borders

LATAM leads M&A “exceeded expectations” at 57% (vs. 51% overall), while APAC trails at 41% “exceeded expectations,” with only 23% reporting efficient implementation. This may reflect a higher prevalence of non-institutionalized assets in LATAM, where introducing governance, KPIs and best practices can unlock significant value.

The execution gap is even starker, with the United States and Canada reporting 40% efficient implementation compared with just 23% in APAC. EMEA sits close to the global average on both metrics, but with wide variation among its constituent markets.

For global platforms, M&A integration must be tailored to regional dynamics, not standardized across markets. This divergence underscores that M&A integration is not a one-size-fits-all playbook, particularly in more complex, multijurisdictional markets like APAC, where integration challenges are more pronounced.

M&A Performance by Region



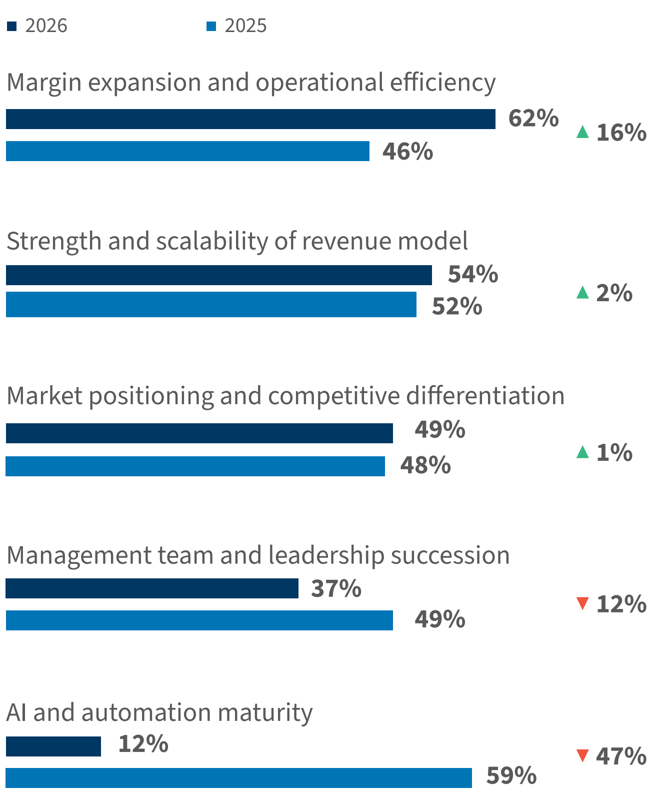
Exit Readiness

What Preserves and Realizes Value at Exit

Buyers are no longer satisfied with a financial engineering narrative. The exit narrative must be built through operational proof during the hold period. With 62% of respondents citing margin expansion and operational efficiency as the most critical exit factor, up from 46% the prior year, buyers want to see efficiency gains, scalable revenue models and management teams that can execute independently post-close.

Most interestingly, 2026 respondents report that AI and automation maturity and readiness across the operations and business model are not as relevant as a strong core operational efficiency and margin expansion story.

Exit Readiness: What Matters Most



Note: Respondents selected up to three factors; percentages do not sum to 100%.

The AI Maturity Collapse. What Happened?

AI maturity dropped from **59% to just 12%** as a critical exit factor. This drop is expected in all technology shifts, as when the hype drops, the focus recenters on driving the fundamentals. This doesn't mean AI is irrelevant, but that it must be embedded in results. When looked at through the lens of scalability, this drop takes on a greater importance. Buyers have stopped treating AI readiness as a standalone value driver and now expect it to be embedded into the operational story, alongside any other technology factors.

The message for operating partners is this: If your exit narrative leads with "AI-enabled," you're selling last year's story. Lead with margins, revenue scalability and market position — then demonstrate how AI underpins those outcomes.

BUYERS WANT PROOF, NOT PROMISES

“The exit story starts on Day 1 of the hold period. Operating partners who wait until the last 12 months to build the narrative are presenting the buyer with a pitch deck, not a proof case.”

Roy Huang
Senior Managing Director, Head of Asia & Caribbean

Exit Readiness by Hold Period Stage

What firms should emphasize in the exit story often depends on when the exit window begins to open.

Exit Window	Primary Focus	Secondary Messaging
0–12 months	Margin proof points (62%), revenue model strength (54%) and management team readiness (37%)	Position AI and cybersecurity as enablers of operational performance, not standalone value drivers (unless cybersecurity is a known risk)
12–24 months	All of the above, plus competitive differentiation (48%) and cyber risk mitigation (20%)	Expand the role of technology and risk management as part of a broader evidence-backed value story
24+ months	Build the full story and embed AI into operational levers now so it shows up in margin expansion by exit	Position all capabilities as fully integrated across the value creation story

2026 Priorities and Bottom-Line Imperatives

As we look at the priorities PE firms have identified for 2026, three themes dominate: the continued rise of M&A as a core strategy, the deepening of AI from experiment to execution and a sharper focus on commercial levers that drive topline growth.

Value Creation Lever Priority Rankings: 2025 vs. 2026

Lever	2025 Rank	2026 Rank	Change
M&A	8	**1**	▲ 7
Product & market expansion	2	**2**	—
Pricing optimization	5	**3**	▲ 2
Cost structure optimization	1	**4**	▼ 3
Customer health & churn prevention	6	**5**	▲ 1
Supply chain & operations	4	**6**	▼ 2
Workforce effectiveness	—	**7**	*
Sales force & marketing effectiveness	3	**8**	▼ 5
Cash conversion & working capital optimization	7	**9**	▼ 2

*Not asked in 2025

Note: AI and back-office technology were assessed as enablers in 2025 and are excluded from the 2026 lever rankings.

Key Priority Shifts

— **M&A is #1:** After a dramatic climb from last place in 2025, M&A is the highest-ranked priority for 2026. High performers are leading the way, executing it more efficiently than their peers.

— **Pricing optimization gains ground:** After ranking in the bottom half of priorities in 2025, pricing jumped 13 percentage points, ranking #3 in 2026. It also posted the biggest frequency increase year over year, with respondents increasingly treating it as a core lever rather than an opportunistic one.

— **Operational levers remain nonnegotiable:** Cost structure optimization holds its ground as a top-five priority because it consistently delivers. Cash conversion and supply chain don't top the charts, but they generate the early margin headroom that funds higher risk, higher reward plays.

THE PRIORITIES HAVE SHIFTED

"Firms aren't reinventing value creation: They're doubling down on what works. M&A is back at the center, AI is moving into execution and commercial levers are driving real growth."

Keith McGregor
Senior Managing Director, Head of Australia Private Equity

Bottom-Line Imperatives

The economics of private equity returns have changed. With entry multiples elevated and arbitrage no longer driving returns, value must be created operationally and captured sooner. The 2026 Value Creation Index highlights five imperatives for the year ahead and beyond:

01

Double down on commercial levers.

The data is clear: High performers deploy pricing optimization, sales force effectiveness, market expansion and customer health initiatives at roughly twice the rate of everyone else.

02

Pressure test your time-to-value assumptions.

If any lever in your value creation plan carries a 12-month-plus horizon, the market has likely already moved past you. Recalibrate against the new baseline.

03

AI amplification requires deliberate effort.

The 3.8x outcome gap between high performers and others is all about how AI is applied, which application is used, how organizations are structured and who is driving the value creation. A tangible recommendation is to focus on 2–3 priority levers where it strengthens an existing playbook, tie each use case directly to a P&L line and measure impact aggressively.

04

Build the exit narrative from Day 1.

Lead with margins and revenue scalability. Firms that wait until the final 12 months to construct an operational proof case are presenting buyers with a pitch deck, not evidence.

05

Institutionalize the playbook and build M&A as a core competency.

High performers are 2.3x more likely to run standardized playbooks, and it shows in every lever they touch. With M&A now the #1 priority and only 35% describing implementation as efficient, the opportunity is there for those that treat integration as a discipline, not a one-off effort.

The firms that pull ahead in 2026 will be the ones with a system where playbook discipline, commercial intensity, AI-amplified execution and M&A integration work together to create and realize value faster.

Appendix

Regional Insights

United States and Canada

Scale and Deal Velocity

The United States and Canada's playbook is the most transaction-intensive of any region, and it's working — M&A leads frequency and outperformance, a combination rarely seen elsewhere. Additionally, the strategic implementation of M&A is more often effective at 40% compared with 35% for the global average.

Workforce effectiveness is a quiet differentiator, punching above its weight in investment return delivery relative to how frequently it's deployed. The persistent underperformance in sales and marketing and supply chain is consistent with the global pattern, suggesting these are structurally harder to execute rather than region-specific failures.

On AI, the United States and Canada are furthest along the adoption curve, with 55% frequently using AI in value creation initiatives compared with 48% of global peers. However, AI hasn't yet converted from deployment into outperformance. While the capability is being built, the returns remain moderate relative to deployment intensity.

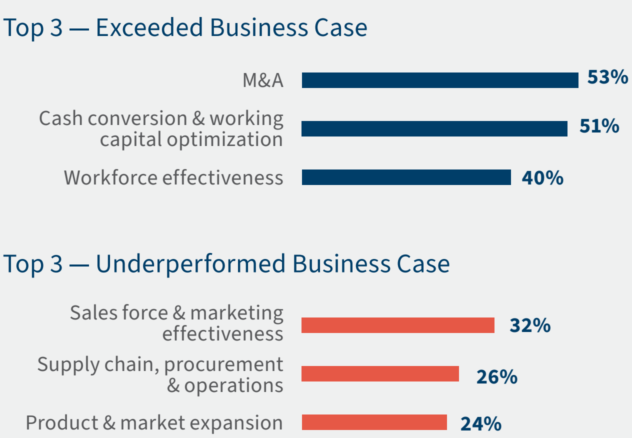
Structural differences shape how value is created. Canada's middle-market focus limits the opportunity to scale large and standardized operations teams, driving a more selective approach, often focusing on fewer, higher-priority levers that translate to smoother execution. In contrast, U.S. firms have greater operating capacity, enabling more standardized playbooks and more frequent deployment of value creation levers across the portfolio.

Most Frequently Applied Levers

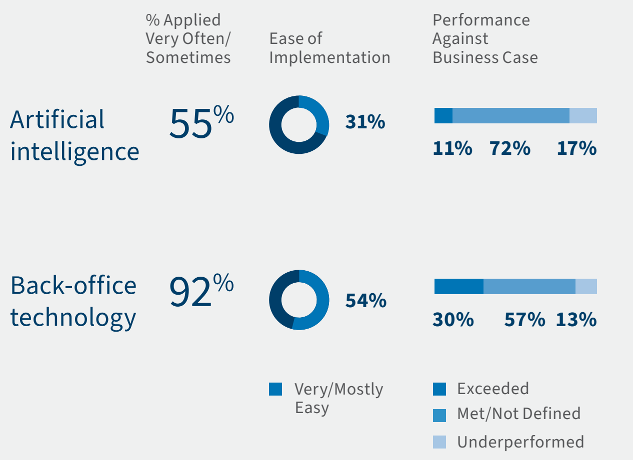
- 82% Pricing optimization
- 81% Cost structure optimization
- 80% M&A
- 79% Cash conversion & working capital optimization
- 77% Workforce effectiveness

Lever Performance vs. Business Case

Based on reported performance relative to each firm's initial expectations (not global averages).



Enablers' Performance



EMEA

A Margin Protection Strategy

EMEA firms show application patterns broadly in line with global peers, with pricing, cost structure, M&A and cash conversion among the most frequently used levers. Where the region stands out is performance: EMEA reports stronger-than-global outcomes in cost structure optimization (48% exceeded business case vs. 41% globally) and cash conversion (54% vs. 52%), while M&A matches global performance at 51%. Commercial and operational growth levers such as sales force effectiveness and supply chain are more likely to underperform expectations, suggesting a relative opportunity area.

AI's adoption and performance sits in the middle of the pack compared with other regions at 45%, but that conversion to value remains elusive, with 9% noting performance exceeded expectations. This suggests that EMEA has yet to consistently scale AI into repeatable value creation. However, EMEA stands out in seeing quicker value creation from AI. Beyond what's shown in the chart, 70% see value within 12 months compared with 66% for the global average and only 54% for APAC.

Most Frequently Applied Levers

80% Pricing optimization

79% Cost structure optimization

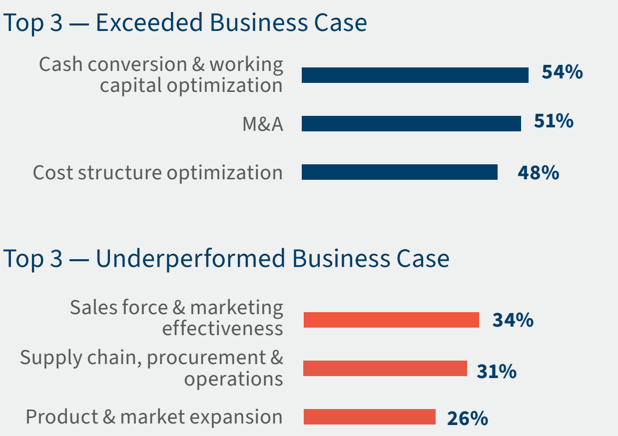
77% M&A

74% Cash conversion & working capital optimization

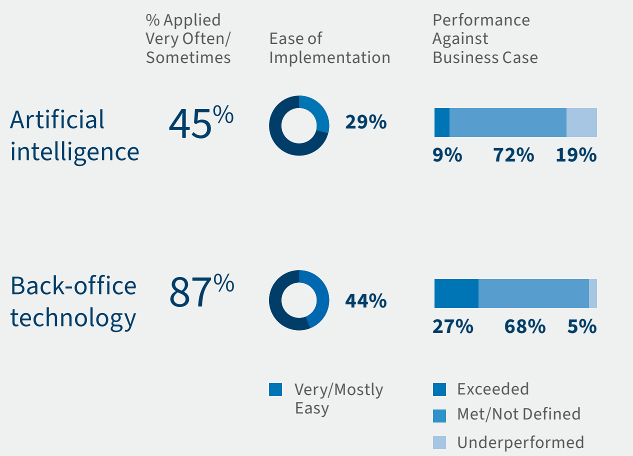
71% Workforce effectiveness

Lever Performance vs. Business Case

Based on reported performance relative to each firm's initial expectations (not global averages).



Enablers' Performance



LATAM

Financial Fundamentals First

LATAM's working capital discipline stands out relative to other regions, with cash conversion exceeding reported business case expectations at higher rates than any other region, at 74% compared with a global average of 52%. This points to a market where financial fundamentals play a more prominent role in value creation, potentially driven by higher interest rates and tighter liquidity conditions.

The appearance of customer health and churn prevention as a top-five deployed lever, not seen in any other region, reflects a distinct competitive dynamic where retention economics are structurally more important, likely driven by higher customer acquisition costs and less mature market alternatives. Despite its frequency, it underperforms relative to other levers, suggesting challenges in translating adoption into consistent impact.

Pricing is the most frequently deployed lever in LATAM — often a go-to for driving revenue and rapid impact — but does not appear among the top performers against business case, highlighting its role as a reliable and well-understood lever that delivers expected value rather than outperformance.

AI adoption is the lowest globally, with only 36% frequently deploying AI in value creation initiatives compared with a global average of 48%. But, infrastructure and talent preconditions for AI deployment are still developing across the region, limiting the ability to scale adoption and translate it into measurable impact at present.

Most Frequently Applied Levers

82% Pricing optimization

78% M&A

73% Workforce effectiveness

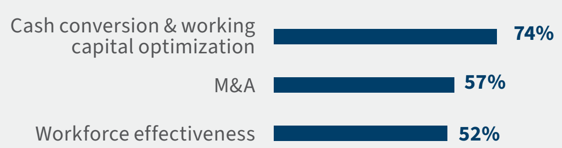
71% Cost structure optimization

69% Customer health & churn prevention

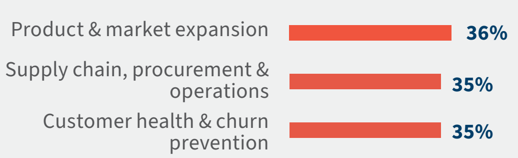
Lever Performance vs. Business Case

Based on reported performance relative to each firm's initial expectations (not global averages).

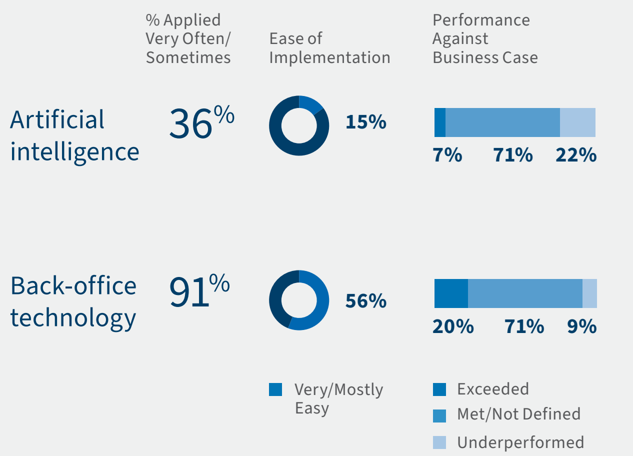
Top 3 — Exceeded Business Case



Top 3 — Underperformed Business Case



Enablers' Performance



APAC

Precision Over Volume

APAC is the only region where an operational lever (supply chain, procurement and operations) tops the outperformance list at 48% exceeding expectations (vs. 36% in the United States and Canada) and implementation efficiency at 71% (vs. 55% in the United States and Canada) — the highest for any lever in any region.

APAC respondents deploy nearly every lever at lower frequency than the United States and Canada, likely a function of leaner operating partner teams, but the firms that do deploy are extracting outsized value from regional complexity, fragmented markets, multijurisdictional supply networks and working capital dynamics.

APAC's 2026 priorities reflect its distinct position. Supply chain ranks as the #1 priority — the only region where this is the case — while M&A, despite its global surge to #1, sits lower in APAC at 10%. The region is doubling down on what works operationally rather than changing to a transactional growth model gaining momentum elsewhere. This deliberate choice can pay off in the near term, but carries longer-term risk if the technology and M&A capability gaps are not closed.

APAC's AI adoption slightly trails the global average at 46% vs. 48%, but performance is somewhat stronger, with 14% reporting results exceeded expectations vs. 11% globally. However, value realization remains slower, with only 54% seeing impact within 12 months compared with 66% globally.

Most Frequently Applied Levers

80% Pricing optimization

74% Cost structure optimization

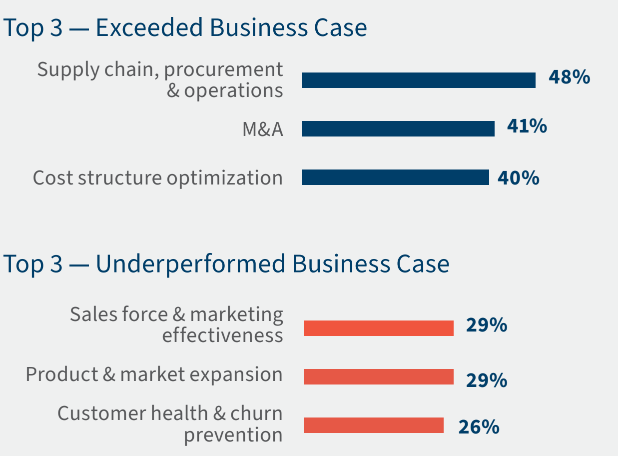
74% Cash conversion & working capital optimization

71% Workforce effectiveness

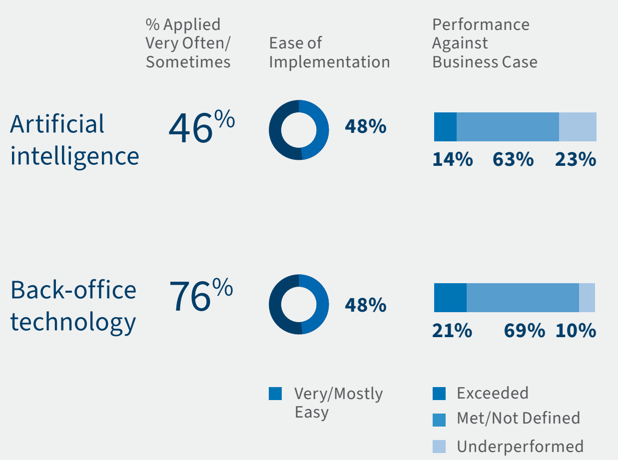
70% Product & market expansion

Lever Performance vs. Business Case

Based on reported performance relative to each firm's initial expectations (not global averages).



Enablers' Performance



About the Survey

The 2026 Private Equity Value Creation Index is based on a global survey of 555 senior private equity leaders conducted by FTI Consulting. Respondents assessed nine core commercial and operational value creation levers, supported by two foundational enablers, across multiple dimensions, including frequency of use, implementation experience, time-to-value, performance against expectations and 2026 prioritization.

High performers are defined as the subset of respondents whose value creation initiatives consistently exceeded investment thesis expectations in 2025. All survey findings reflect self-reported respondent perspectives. The survey was conducted online in January and February of 2026.

Value Creation Levers Assessed

- Cost structure optimization
- Cash conversion & working capital optimization
- Supply chain, procurement & operations
- Workforce effectiveness
- Product & market expansion
- Sales force & marketing effectiveness
- Customer health & churn prevention
- Pricing optimization
- M&A

Value Creation Enablers Assessed

- Artificial intelligence
- Back-office technology optimization & modernization

Respondent Location by Region

41%	36%	10%	13%
United States and Canada	EMEA	Latin America	APAC

Survey Dimensions

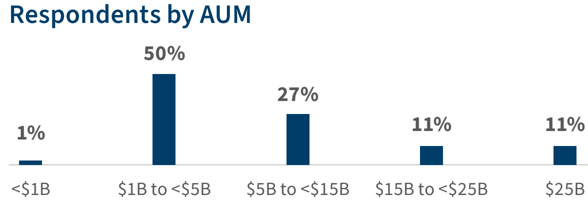
- Frequency of lever application
- Implementation experience (efficiency of execution)
- Time-to-value (near-term vs. longer-term realization)
- Performance against business case expectations
- 2026 prioritization and forward-looking intent
- AI-enhanced effectiveness by lever

Respondents by Industry Focus

	% of Sample	Counts
Aerospace & defense	6%	33
Aviation	4%	22
Business process outsourcing	10%	57
Chemicals	7%	40
Construction, engineering & infrastructure	8%	47
Consumer packaged goods	9%	48
Electronics & semiconductors	5%	28
Finance & banking	20%	112
Food, agriculture & beverage	17%	92
Healthcare	19%	108
Industrials & manufacturing	18%	101
Logistics	7%	38
Marketing services	5%	25
Power, energy & renewables	8%	46
Professional services	10%	58
Real estate	9%	52
Retail	6%	34
Technology & software	26%	142
Telecom	4%	21
Generalist	9%	48

Note: Respondents selected up to three industries; percentages do not sum to 100%.

Respondents by AUM



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