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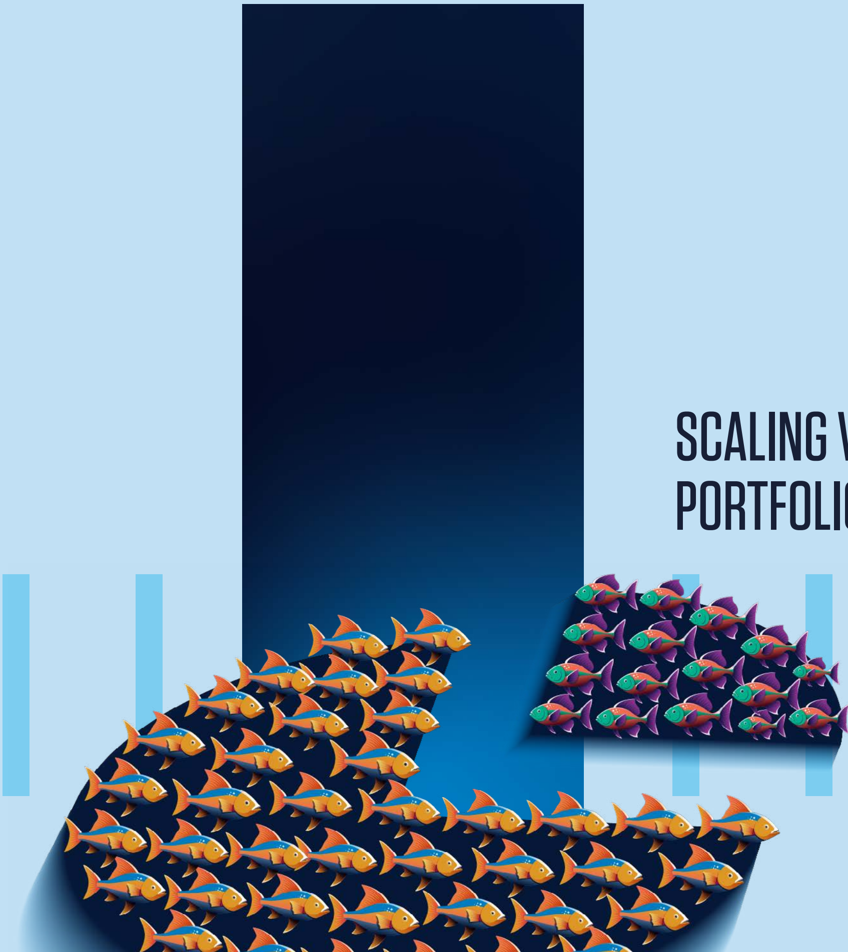


SCALING VALUE CREATION THROUGH AI-LED PORTFOLIO INTELLIGENCE

Executive Summary

Artificial Intelligence is transforming value creation in Private Equity (PE), enabling portfolio companies to enhance their performance, accelerate revenue growth, and strengthen exit potential. Operating partners are central to this transformation. They leverage AI-powered insights to drive post-acquisition revenue and margin expansion within compressed timelines. By integrating digital transformation early, embedding real-time analytics into value-creation plans, and collaborating with ecosystem partners, PE firms can optimize operations, track KPIs, and de-risk exits. AI-driven strategies empower measurable, scalable, and sustainable value creation. This makes technology adoption a key differentiator in achieving superior investment outcomes across complex, diversified portfolios.

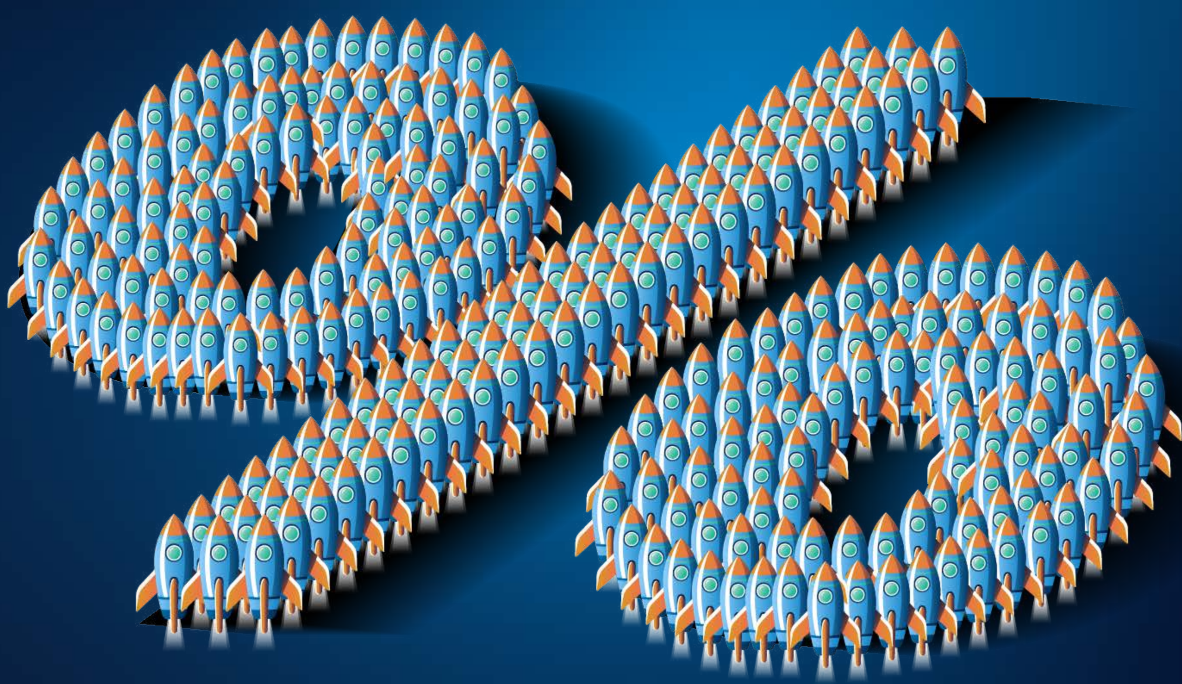
The traditional strategies that Private Equity (PE) companies employ for value creation are no longer enough. Conventional cost-focused value creation levers become less effective as assets mature, growth slows, and financial conditions tighten. At the same time, with geopolitical disruption and aggressive cost cutting eroding differentiation, resilience, and long-term value, PE leaders are adopting more innovative and flexible approaches to unlock the full potential of their portfolios.

Rapid advances in Artificial Intelligence (AI) have made it a high-value driver for the PE industry. AI is far more than a technology enabler: it has become a strategic capability that shapes every stage of the PE lifecycle — from deal sourcing and investment decisions to value creation and exit.

The AI Continuum Across the PE Value Chain

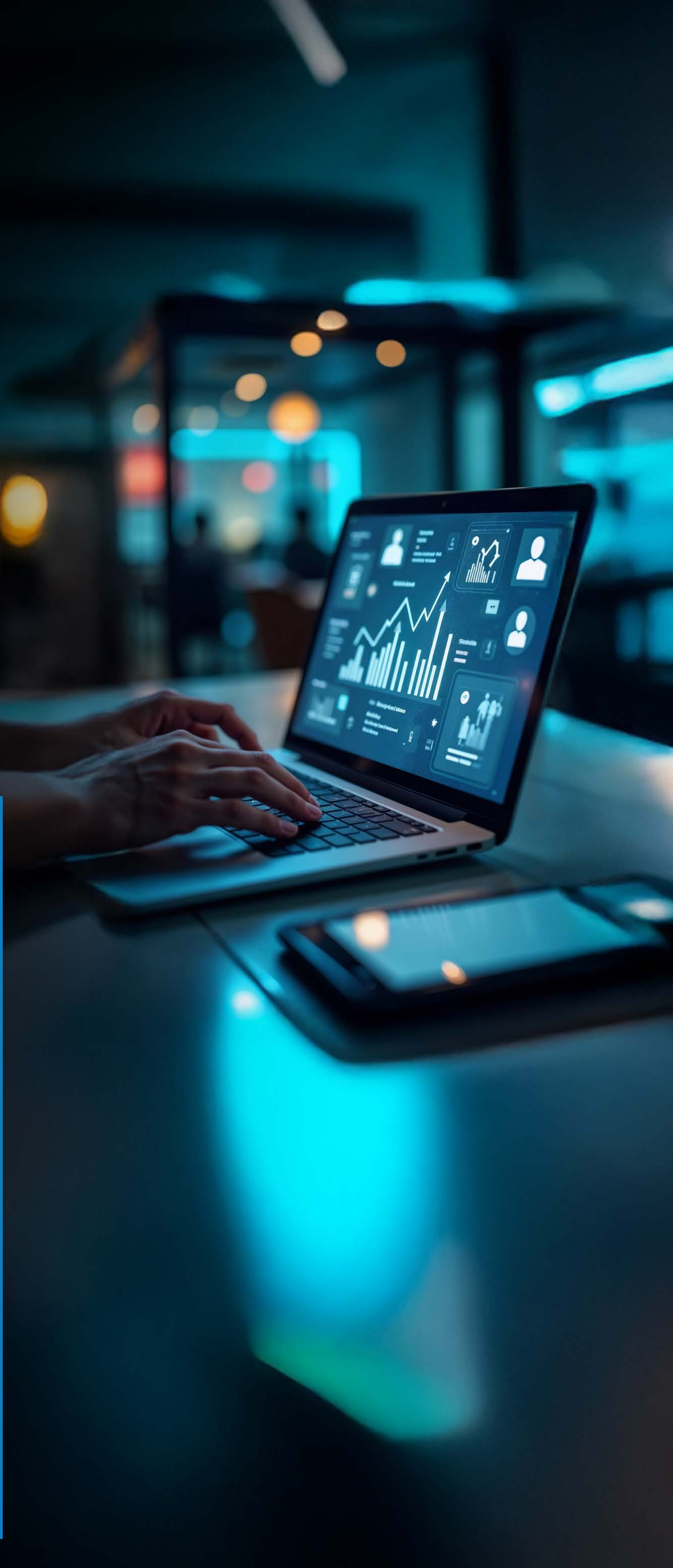
At the pre-investment stage, predictive sourcing engines allow PE firms to cast a wider net for deal sourcing and screening. As AI automates large portions of data analysis, diligence is becoming both faster and more rigorous, enabling teams to test investment theses in entirely new ways. In PwC benchmark testing, AI-driven simulations and models delivered productivity gains of 35–85%, with tasks like competitor and financial analysis compressed from weeks to days.[1]

PE firms are increasingly leveraging AI-led value creation in portfolio companies ("portcos") to reinvent business models and enhance products, thereby improving operational efficiency. A recent McKinsey study notes that companies that effectively harness AI to both reinvent enterprise technology functions and unlock new business opportunities can realize up to three times the EBITDA lift from their technology investments.[2]



AI-SRE as a Data-Centric Challenge

AI-driven SRE is often discussed in terms of advanced models or automation. In reality, it is fundamentally a **data architecture challenge**. AI agents can only reason as well as the data substrate that feeds them. Four systemic data hurdles consistently prevent enterprises from realizing AI-SRE.



Propel revenue growth with AI-powered predictive analytics:

Predictive AI drives revenue growth by improving lead scoring, optimizing pricing, and segmentation; and by enabling sales teams to prioritize high-value prospects, increase win rates, and shorten deal cycles. It reduces churn through early risk detection. It also enhances marketing, product, and go-to-market decisions with data-driven insights.[3]

> "As part of our continuous efforts to deliver value for our clients, at British Telecom, we engaged with Infosys Topaz to offer AI-powered predictive analytics for various domains such as network performance, sustainability and security…our clients can now amplify their mission-critical services with never-before reliability."

Hemanth Adapa
Product Owner, Predictive Analytics at British Telecom[4]

Optimize operations with automation

Process automation and GenAI can streamline manual work across finance, HR, and customer services. These amplify the capability of employees by allowing them to focus on higher-value strategic priorities.

Success Story

A major Nordic multinational bank accelerated enterprise-wide AI adoption to embed AI as a core capability across business and technology functions. Working with Infosys enabled the bank to identify, prioritize, build and productionize high-impact AI business use cases compliant with a responsible AI framework.

Benefits

- 20+ use cases productionized successfully including credit decisioning
- Fulfilled the board mandate to become an 'AI-first leader'
- Rolled out a comprehensive AI program
- Committed to scale via a Gen AI Academy with 250+ AI Builders and Masters across domains

Impact

- 80% AI-generated code
- USD 70M in savings, translating to 5-7% technology services OPEX.

AI-powered supply chain intelligence can identify bottlenecks, predict disruptions, and optimize inventory to reduce working capital and improve operational resilience. With AI-led dynamic pricing and resource allocation models, enterprises can continuously analyze market demand, competitor behavior, staffing, and marketing spend to drive smarter decisions, stronger margins, and improved cash flow.

For example, Ericsson is transforming its global supply chain with an AI-enabled Integrated Business Planning (IBP) platform that unifies demand, supply, and inventory. Early results show that using in-house machine learning (ML), SAP-IBP algorithms, and Infosys-developed chatbots improved forecasting, optimization, and AI-supported decision-making.[5]

Explore the power of Agentic AI

Agentic AI is expected to be key to business transformation across industries in the coming years[6]. In use cases relevant to PE, it can accelerate legal document review, contract analysis, and regulatory reporting by automating filings directly from portfolio data. For example, JPMorgan's LAW platform uses Agentic AI to review complex legal and credit documents in seconds, significantly reducing manual effort and improving speed, accuracy, and scalability.[7]

Success Story

A global eye-care leader faced growing risks from complex, manual clinical documentation reviews in a highly regulated environment. Infosys deployed an Agentic AI solution to automate data, content, and format validation using a cost-optimized architecture to enable a scalable and compliant review framework that can be extended to other therapeutic areas.

Benefits

- Rigorous data validation
- Faster error detection
- Accelerated approvals
- Improved cost efficiency and ROI

Impact

- 10× faster trial protocol reviews
- 90% reduction in error-driven amendments
- 98% accuracy in detecting formatting, content, and data integrity issues.

Infosys delivers industry-specific, AI-first solutions through the Agentic AI Foundry, which enables a technology-agnostic approach with pre-built agents, robust evaluation frameworks, and reusable components.[8] The Foundry is part of Infosys Topaz, an AI-first set of services, solutions and platforms using generative AI (Gen AI) technologies.

Improve customer retention with personalization

With AI, companies can anticipate individual customer needs and deliver timely, personalized interactions across the right channels — moving beyond generic, mass "push" promotions. A McKinsey study has found that AI-powered next-best-experience (NBX) capabilities can lift customer satisfaction by 15–20%, drive revenue growth of 5–8%, and lower cost-to-serve by 20–30%.[9]

Success Story

A leading bank in the US, serving retail, commercial, and institutional customers embarked on digital transformation to build resilience and deliver AI-first, personalized experiences while maintaining strong security and customer privacy. Infosys modernized development using enterprise APIs and Microsoft Copilot, and upskilled teams to operate in an AI-driven environment.

Benefits

- Real-time business observability on payment rails.
- Greater operational resilience through fintech and hyperscaler partnerships

Impact

- Improved efficiency and reduced time to market
- AI-driven hyper-personalized experiences delivered within responsible AI guardrails.

Create differentiation with new business models

Portcos can reshape their value creation journey by leveraging the autonomous content creation and real-time problem-solving capabilities of AI. Firms can even explore new business models with gamification of 'what-if' scenarios.

For instance, contextual services around physical products can be monetized. A regional bank could deploy an AI-powered financial wellness coach that goes beyond listing account balances or interest rates to answer practical questions like, "How should I adjust my savings plan if I'm planning to buy a home in two years?" The service could be monetized through subscription tiers and differentiate the bank's digital experience.

PE firms can gain deeper insights into market trends with AI-powered tools and predictive models to optimize exit planning. Accurate valuation forecasting, detecting sentiment shifts using Natural Language Processing (NLP), pinpointing the right window for an IPO, and predicting and simulating exit scenarios such as secondary buyouts or IPOs to evaluate potential returns are just some of the ways that AI can lead to efficient exits.

Looking Ahead

Leveraging AI for value creation requires operational change and close collaboration between business and technology teams. While AI drives efficiency, it also introduces risks such as bias, limited transparency, and data vulnerabilities. Restructuring workflows for effective human–AI collaboration and maintaining strong guardrails is essential to build safe, resilient enterprises. Infosys' Responsible AI Suite, part of Infosys Topaz, supports this through its Scan, Shield, and Steer (AI3S) framework, helping organizations govern, secure, and scale AI responsibly while maximizing ROI.

As a partner with a global delivery model, deep domain expertise, and platforms built with responsible AI by design, Infosys can power portcos with the ability to mine operational insights. This, in turn, will enable them to drive performance improvement and accelerate enterprise-scale transformation across the investment lifecycle.

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