Annual Fund Finance Benchmarking Survey



October 2026

Agenda

Section 1: Participants' Demographics

Section 2: Operating Models

Section 3: Technology Adoption and Strategy in Fund Controllerships

Section 4: Forward Looking-2026 and Beyond



Section 1: Participant Demographics



Survey Respondent Demographics

Respondent Roles



CFO	36%
Fund Controller	21%
Other roles	29%
Treasurer	14%

Types of Funds Managed*



Private Funds	70%
Mutual Funds	34%
ETFs	28%
Collective Inv. Funds	26%
Hedge Funds	26%
Real Estate	23%
Venture Capital	13%
BDCs	11%

Number of Funds Managed



1 – 10 funds	25%
11 – 50 funds	39%
51 – 100 funds	10%
101 – 250 funds	13%
250+ funds	13%

Assets Under Management (AUM)



Under $500B	75%
$500B – $1T	10%
$1T – $2T	9%
Over $2T	6%

* Multiple fund types could be selected; percentages do not sum to 100%.

- There were 81 survey participants.

The survey respondents predominantly hold senior financial roles and manage a wide variety of fund types. Most participants represent asset managers with assets under $500 billion and manage a moderate number of funds, reflecting a diverse yet concentrated industry landscape.

Section 2: Operating Models



Frequency of Fund Finance Operating Model Review

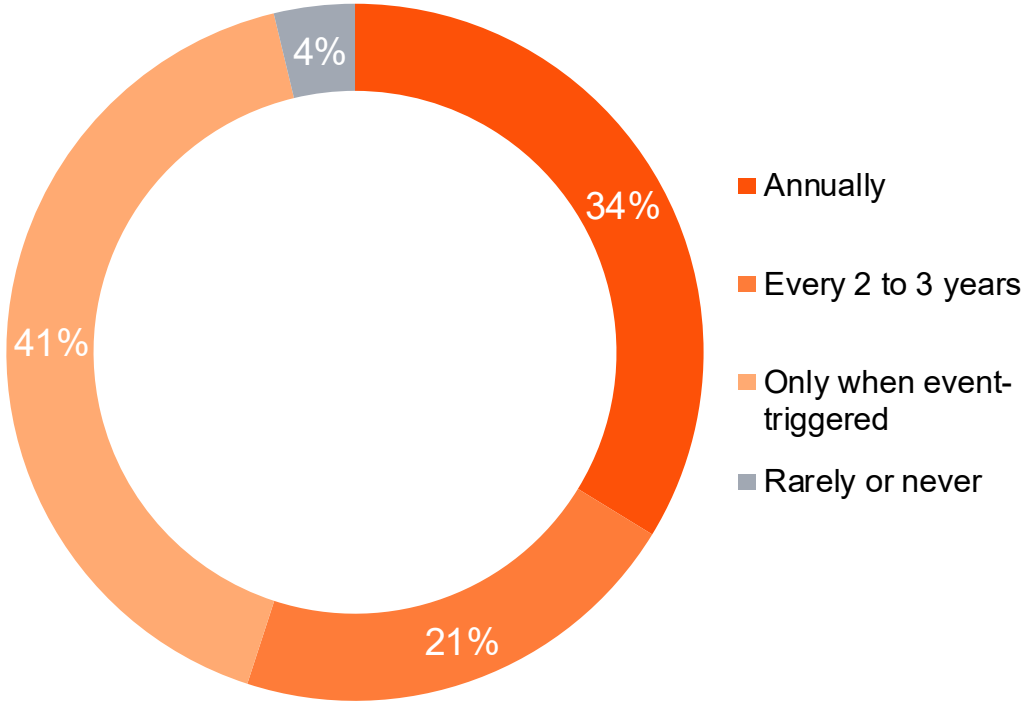
The Asset & Wealth Management ("AWM") industry is moving quick. Given the relentless pace of technological changes, product innovation and evolving investor demands, **transformation must be an ongoing effort** rather than periodic system overhaul.

Survey Analysis and Observations

- 41% conduct reviews only when triggered by specific events like new investment products or regulatory changes.
- 34% of organizations perform annual reviews, targeting continuous operational enhancements.
- 21% review every 2 to 3 years, **potentially risking a lag in addressing emerging challenges.**
- A pattern of underinvesting in operating models **puts firms at competitive disadvantage to technology-forward firms.**

PwC Viewpoint: Proactive review cycles correlate with better strategic agility, operational efficiencies, cost containment, talent development and risk management in fund finance operations.

Review Frequency of Fund Finance Operating Model



Fund Controllership Activities – Key Terms

Fund management and fund finance within controllership have distinct roles and operating models: **centralized**, **decentralized**, and **hybrid**. The definitions below provide context to support understanding of the survey insights that follow.

Fund Finance activities in this report include NAV oversight, valuation, regulatory compliance and monitoring, cash/collateral management, and other finance related functions

Fund Management activities in this report include fund setup, investor onboarding, data governance, and other related fund operational functions



Centralized

Each Fund controllership activity is performed by a single, centralized team. This team executes that controller activity (e.g., a centralized valuation team) for all fund types across the organization. There are some risks centralizing, such as loss of deep product knowledge in areas such as tax, regulations and operations



Decentralized

All Fund controllership activities are performed independently at the individual fund type level. There are dedicated teams responsible for performing all the controllership activities for specific types of funds.

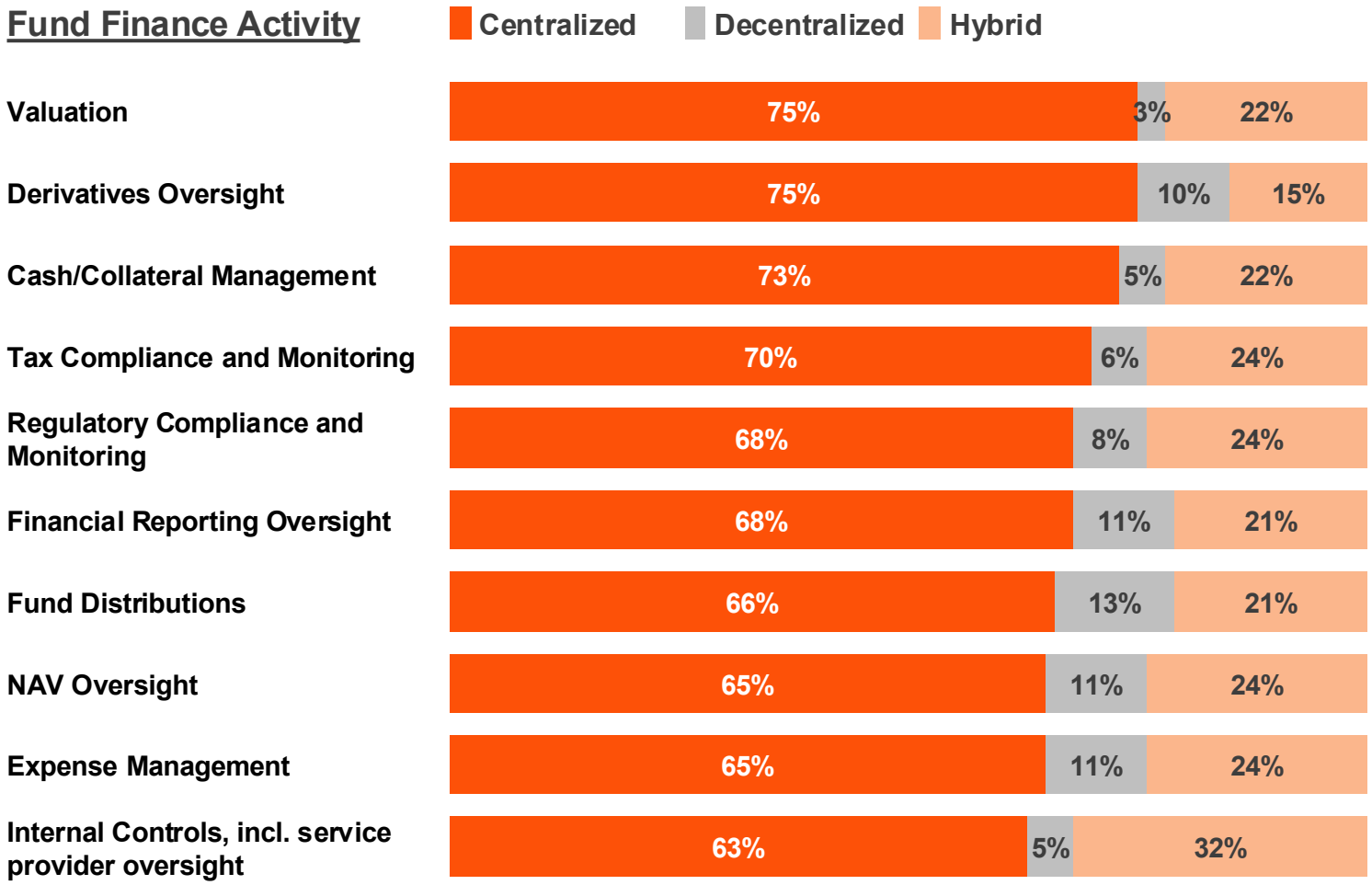


Hybrid

Fund Controllership activities are shared between a centralized function and decentralized fund-specific team for various control activities. Central teams may handle common or standardized processes, while fund-level teams may execute certain fund-specific tasks

Expected Operating Model for Fund Finance Activities in 2030

We asked participants what they expected their respective operating models for Fund Management would be in 2030 - **Centralized, Decentralized or Hybrid**



Analysis and Observations

- Valuation, Derivatives and Cash/Collateral Management show over 70% centralization — helping manage risk, governance, standardization, cost and data consistency at a firmwide level.
- Hybrid models are more prominent in Internal Controls, Regulatory and Tax Compliance, balancing efficiency and risk.

PwC Observations

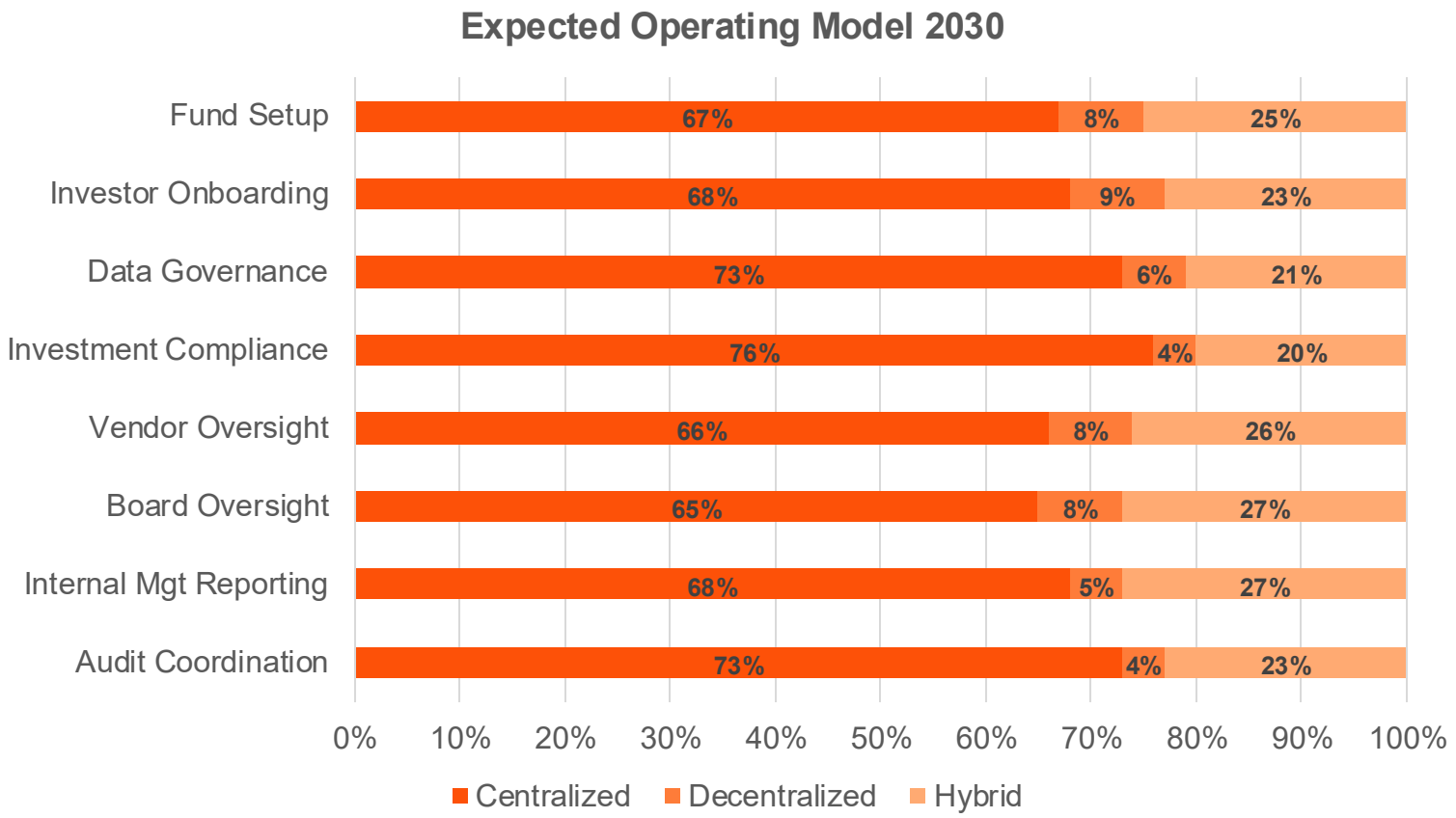
Centralization across most fund finance functions is expected to continue to expand between now and 2030.

Expected Operating Model for Fund Management Activities in 2030

We asked participants what their respective operating models for Fund Management would be in 2030 - **Centralized, Decentralized or Hybrid**

Analysis and observations

- **> 67% of respondents expect Fund Setup, Investor Onboarding to be centralized**, emphasizing control and efficiency, combined and optimal investor experience.
- Data Governance and Investment Compliance is **highly centralized to ensure coordinated risk management** and data costs
- Vendor and Board Oversight, as well as Internal Management Reporting show a larger **share of hybrid models, seeking to balance consistency** with specialized knowledge.
- **Audit Coordination is expected to be primarily centralized** to maintain consistency in audit responses and documentation.

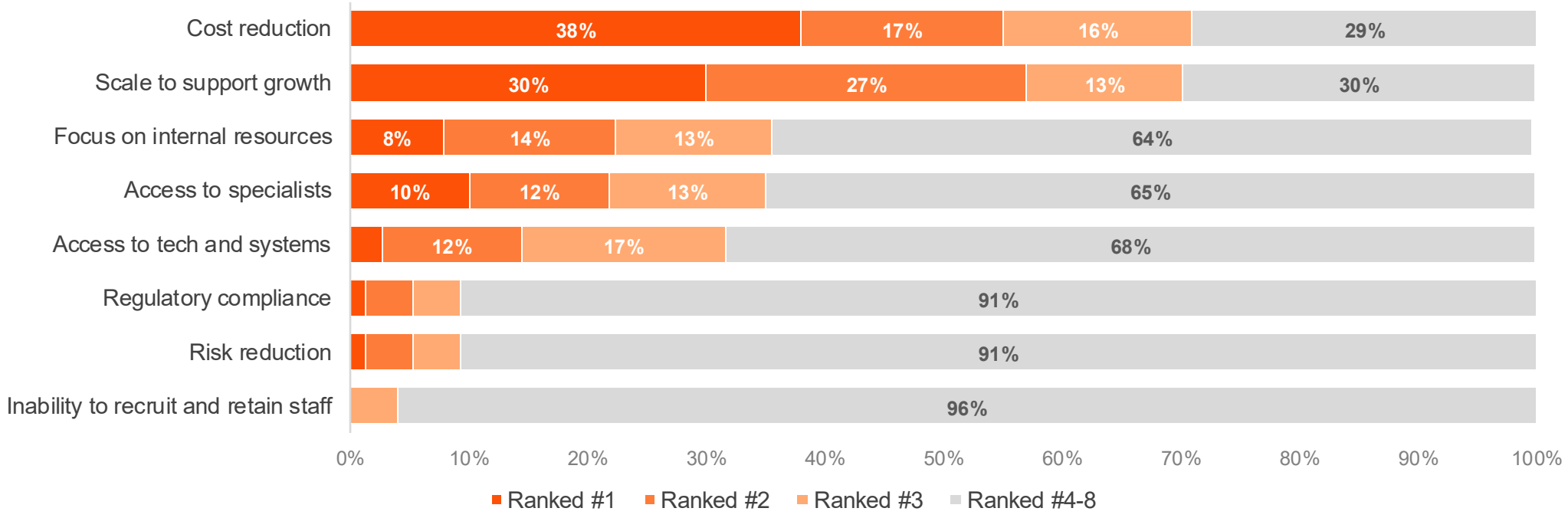


Primary Drivers of Outsourcing Decisions

We asked survey participants to **rank the primary drivers** of their **outsourcing decisions**.

Cost reduction and efficiency are the top-ranked drivers for outsourcing fund finance functions, followed closely by the need to scale for business growth. **Access to specialist expertise also plays a significant role, while the inability to recruit and retain staff, regulatory compliance support and risk reduction are less frequently cited in outsourcing decisions.**

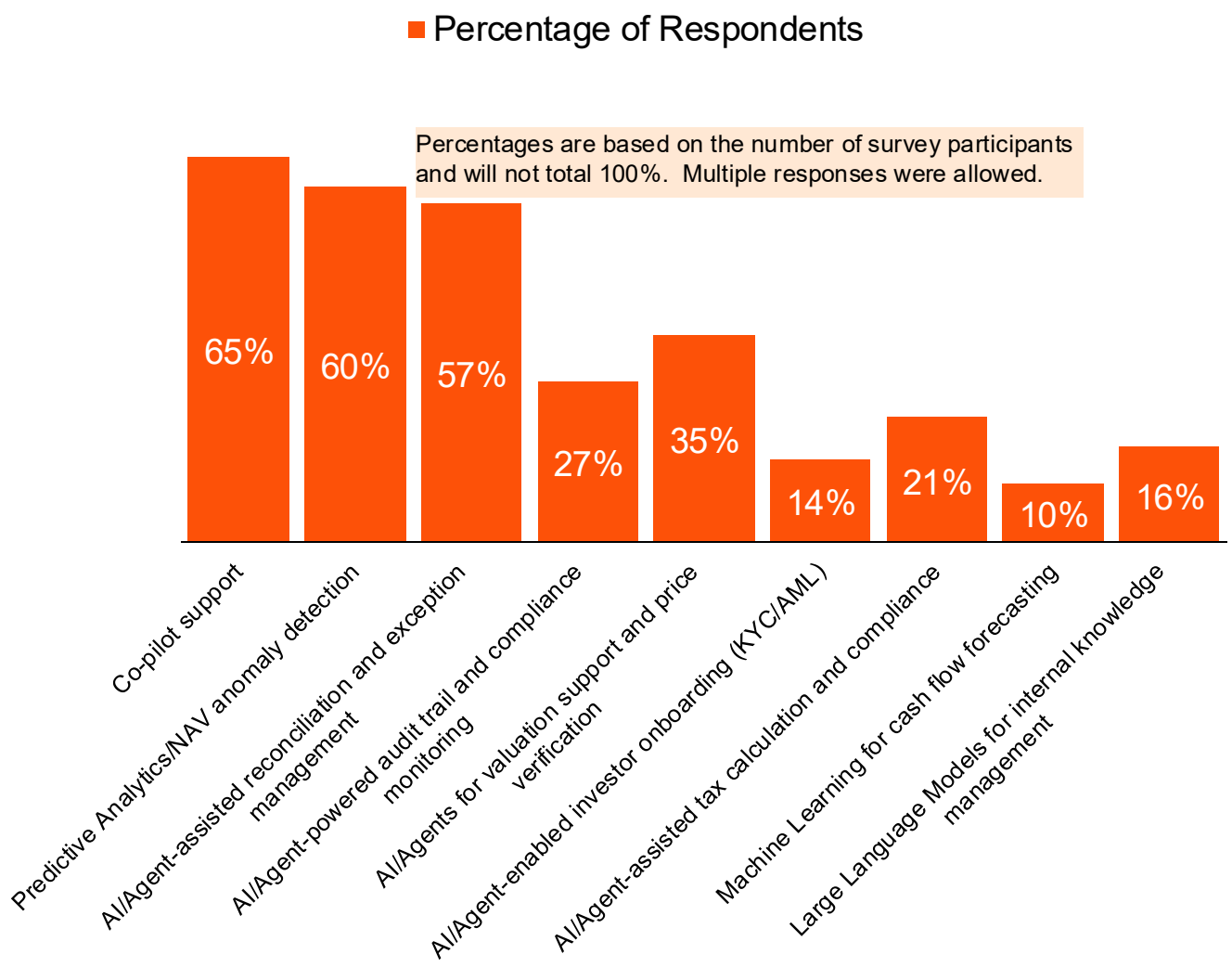
How respondents ranked each driver, sorted by top 3 share



Note, respondents ranked 8 drivers from 1 (highest) to 8 (lowest); ranks 4-8 are grouped; labels under 6% are hidden

Greatest Opportunities for AI to Transform Fund Controllership

We asked survey participants what were the greatest opportunities for AI to transform fund controllerships over the next 12 to 24 months.



- Co-pilot support (e.g., report drafting, document summaries) leads with 65%, **showing strong demand for productivity tools.**
- Predictive analytics for **NAV** oversight highlights **focus on NAV accuracy and risk management to prevent potential errors**
- AI-assisted reconciliations rank high at over 57%, **helping to create efficiencies and focus on exceptions requiring human judgment**
- Audit/compliance monitoring and valuation support are also notable, **helping to develop consistency, reduce bias and enable real-time monitoring**

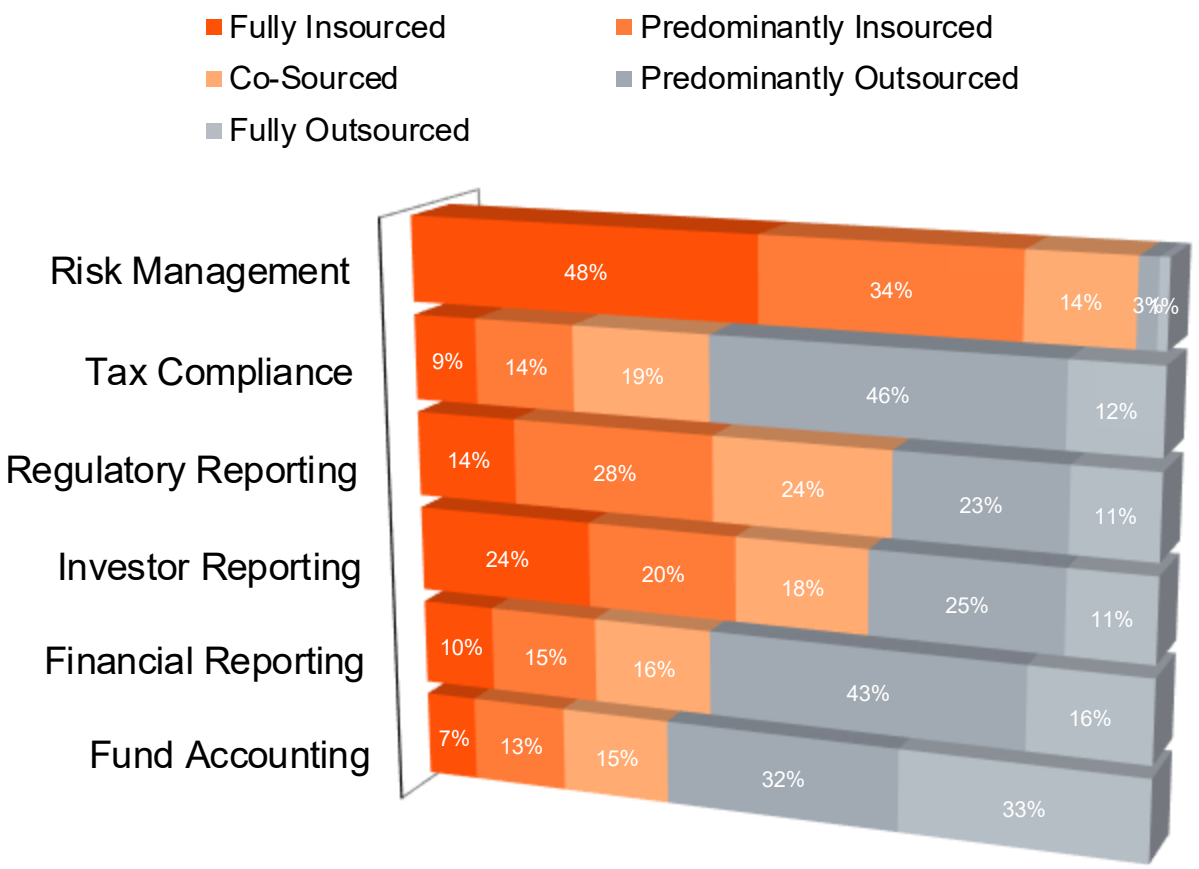
PwC Observations

- The greatest opportunities are the ones where AI capabilities are **transparent, observable** and **subject to efficient, tech-enabled governance.**
- **Leverage mature AI solutions for proven use cases such as for document extraction and reconciliations.**
- Technology capability, market readiness and competitive pressures are converging to **create an opportunity for firms to adopt AI as a competitive advantage.**

Expected Sourcing of Fund Finance Functions by 2030

We asked survey participants their expected sourcing of fund finance functions by 2030.

Expected Sourcing Status of Fund Finance Functions by 2030*



* Percentages are based on the number of survey participants

Sourcing Expectations and Observations

- Fund Accounting is expected to be mostly outsourced or co-sourced, with 65% relying on external providers by 2030.
- Financial Reporting and Tax Compliance show at least 58% co-sourced or outsourced, **seeking to balance the need for specialized expertise, mitigate risks and optimize costs.**
- Risk Management and Investor Reporting are expected to remain mostly insourced, **to ensure faster and more customized responses, as well as protecting confidentiality on sensitive data.**
- Regulatory Reporting shows balanced sourcing, combining internal expertise with external partnerships. **Potential for further co-sourcing, especially around data governance/aggregation.**

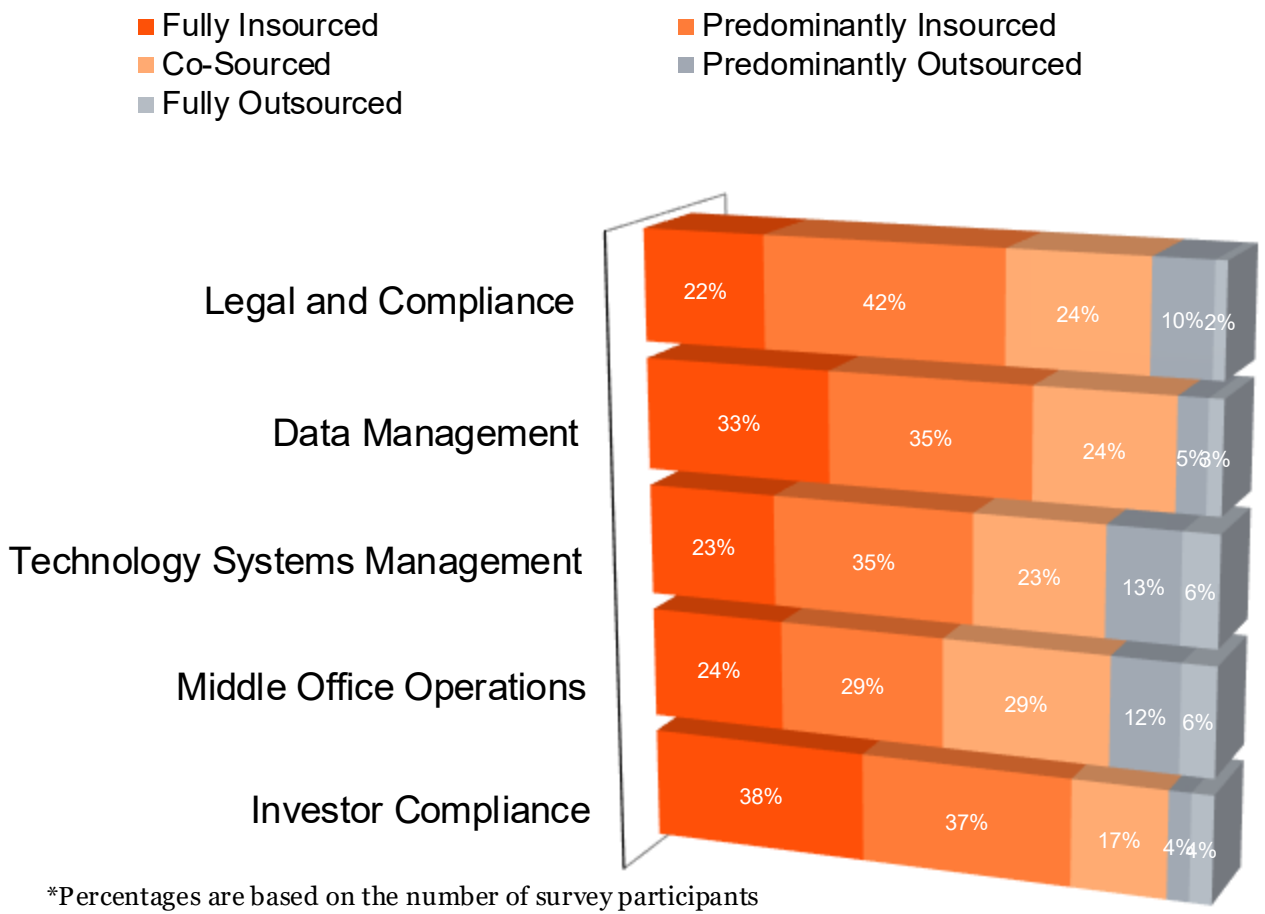
PwC Observations

By 2030, fund finance functions will use a mix of sourcing strategies, balancing internal teams with external partners for efficiency and expertise. There may be **opportunities for strategic partnerships** to have an impact in many of these functions.

Expected Sourcing of Fund Management Functions by 2030

We asked survey participants their expected sourcing of fund management functions by 2030.

Expected Sourcing Status of Fund Management Functions by 2030



*Percentages are based on the number of survey participants

Sourcing Expectations and Observations

- Investor Compliance as well as Legal and Compliance are expected to remain mostly insourced, **emphasizing more direct oversight over compliance, communications and decision making.**
- Technology & Data Management are expected to be balanced between insourcing and co-sourcing to **maintain control of the data while leveraging external specialists and systems to seek efficiencies on back and middle office operations.**

PwC Observations

Data is **often unstructured**, requiring **aggregation**, **cleansing**, **and reconciliation** from various sources—areas where **AI strategic partnerships** can be highly beneficial.

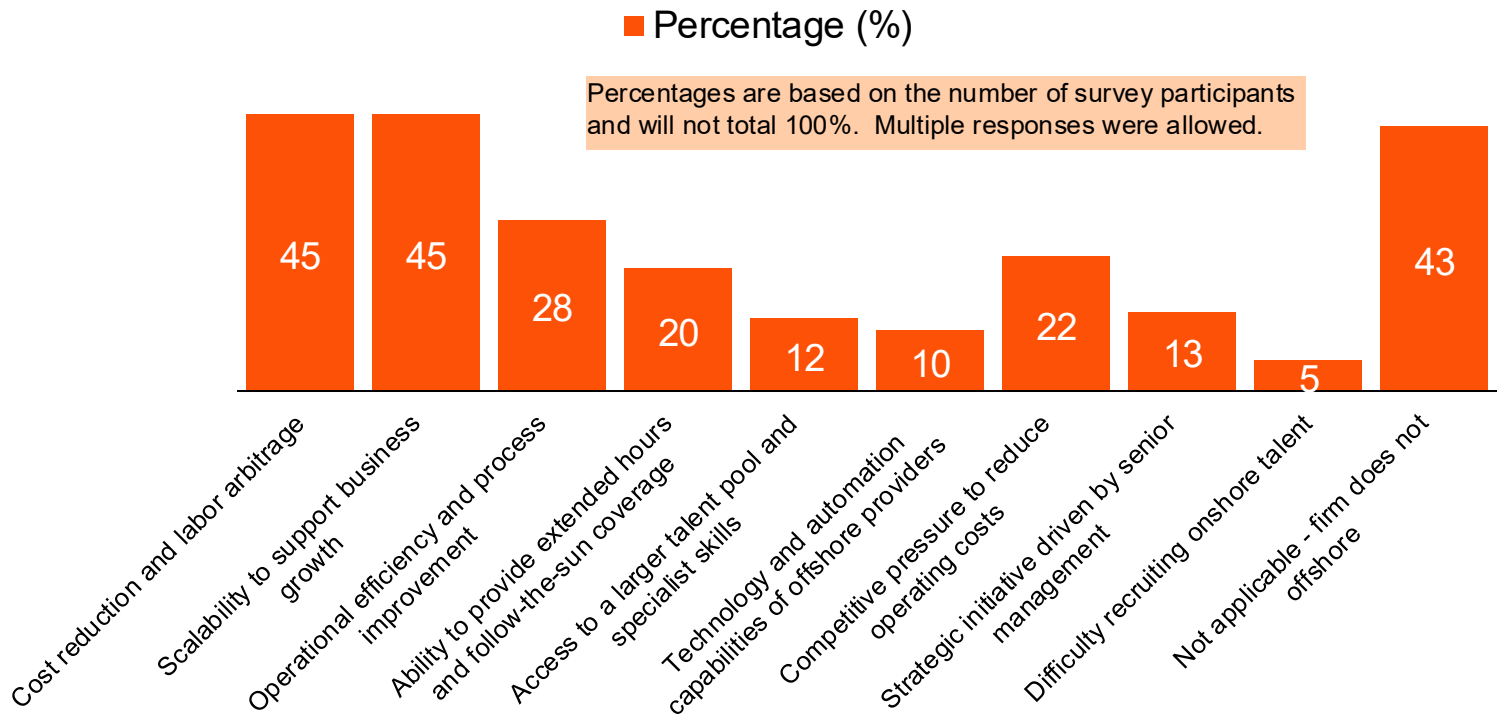
Primary Drivers for Offshoring Fund Finance Functions

We asked survey participants what are the primary drivers when deciding whether to offshore fund finance functions.

Offshoring Drivers Analysis

- **Cost reduction and labor arbitrage** are the strongest drivers, with 45% of respondents citing this as a main reason to offshore.
- **Scalability to support business growth** matches cost reduction closely at 45%, highlighting growth demands influencing offshoring decisions.
- A significant 43% of respondents reported offshoring is not applicable for their firm, indicating **diverse outsourcing strategies in the market.**

Key Drivers Behind Offshoring Fund Finance Functions



Section 3: Technology Adoption and Strategy in Fund Controllerships



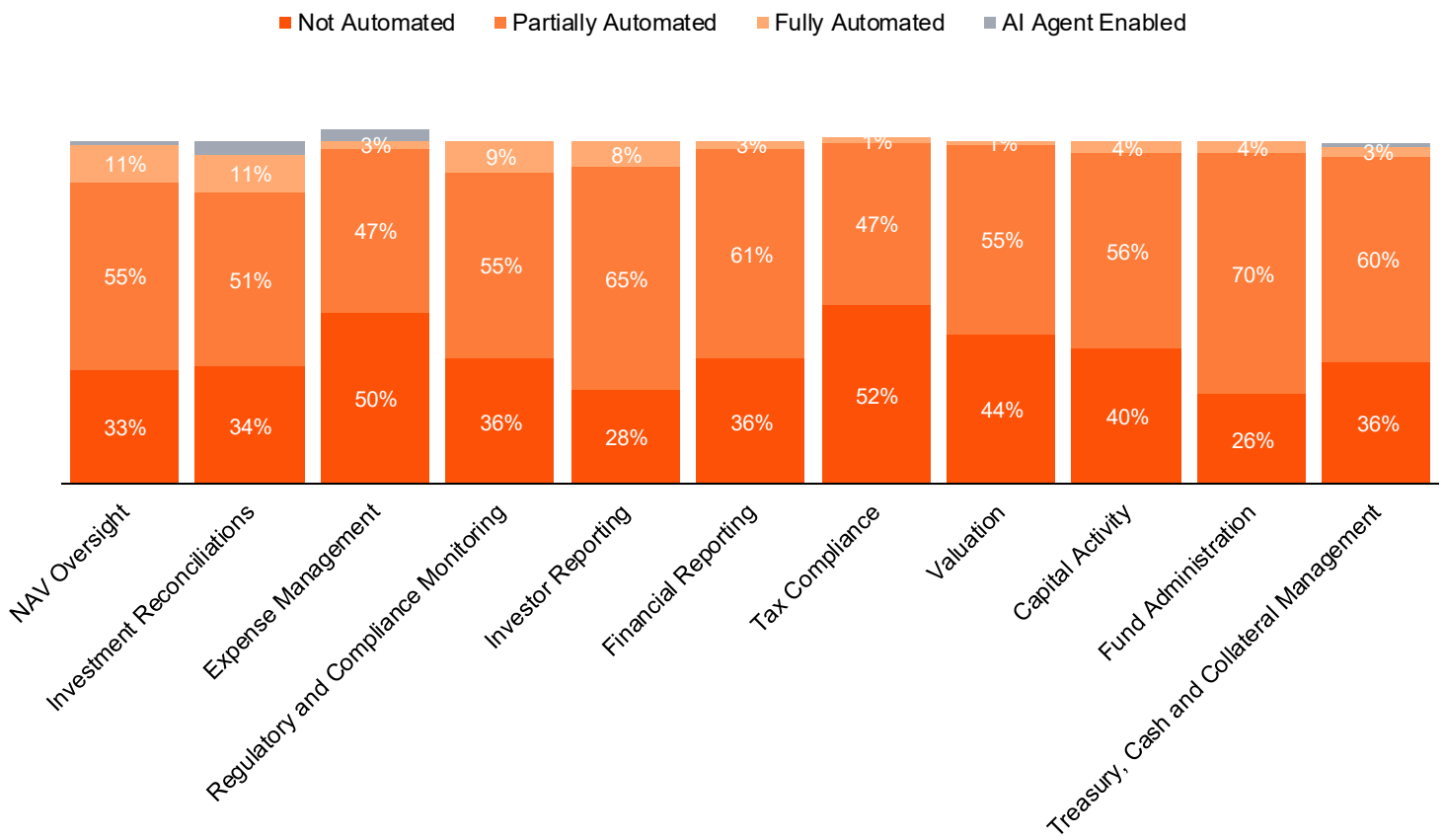
Automation Levels in Fund Controllership Functions

We asked survey participants to indicate **the extent** to which they have **automated fund controllership activities**.

Automation levels and insights

- There is an inconsistent use of automation in Tax Compliance, Expense Management and Valuation, representing **opportunities to automate these functions to enhance efficiencies and reduce risks.**
- The **first priority of automation** should be to **reduce operational risks**, not just costs. **Maintaining control over data** as **the single source of truth** should be another top priority.
- **AI agent use is relatively low** (under 5% for all respondents) across fund controllership functions, **outlining room to enhance readiness to support future operations,** including **investment in data governance and observability platforms,** freeing up financial professionals to **focus on higher-value activities.**

Automation Levels Across Fund Controllership Functions



Over 50% report partial automation in NAV oversight and reconciliations; AI agent use remains under 5%.

Current Stage of AI Adoption in Fund Controllership

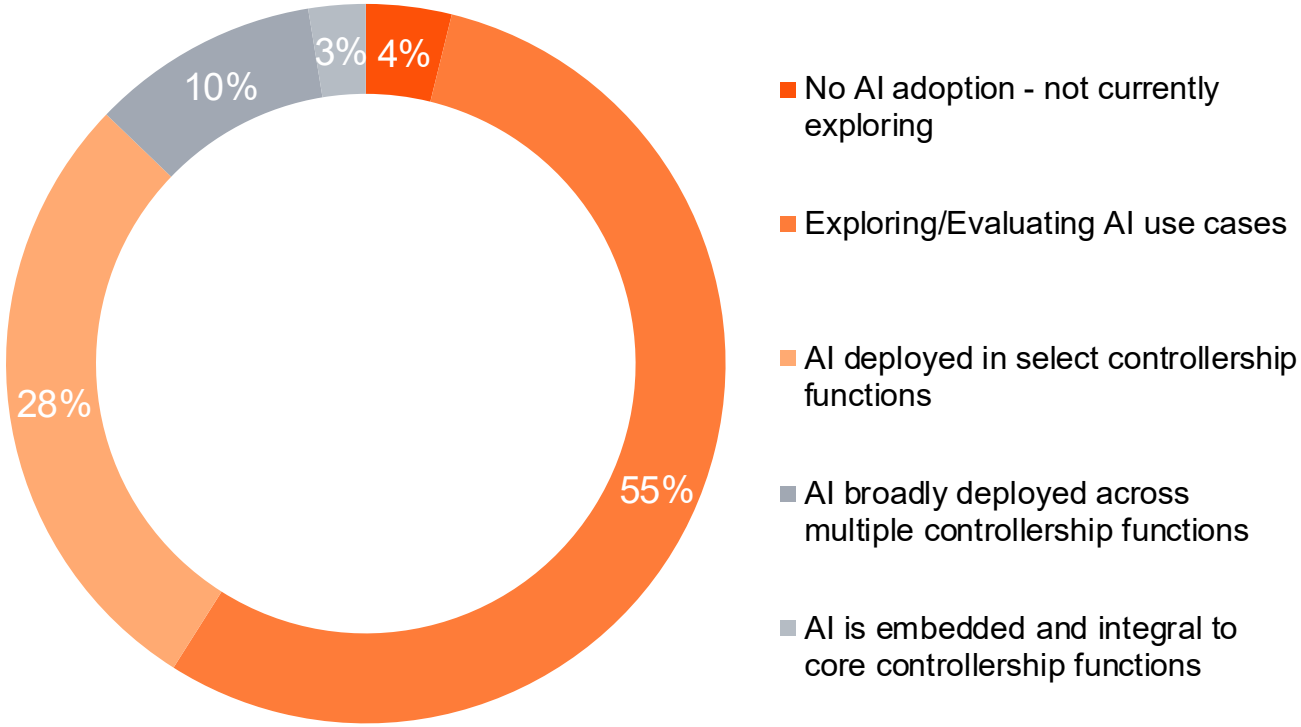
We asked firms their current stage of AI adoption in their fund controllership function. Only a small percentage have broadly deployed AI (10%) or embedded it as integral to core functions (3%).

Firms not adopting AI may face widening structural disadvantages, higher relative costs, and talent attrition, particularly as fund complexity and volume increase with a proportional investment in technology.

AI Adoption Progress Observations

- 55% of organizations are currently exploring or evaluating AI use cases, **signaling growing interest and experimentation.**
- 28% have selectively deployed AI in specific controllership functions, **showing practical application underway.**
- Approximately 10% report broad deployment of AI across multiple functions, **indicating early maturity in adoption.**
- Only 3% have embedded AI as integral to core controllership functions, **highlighting opportunity for further integration.**
- The data suggests a transition phase with momentum building but **room to overcome adoption barriers for deeper AI use.**

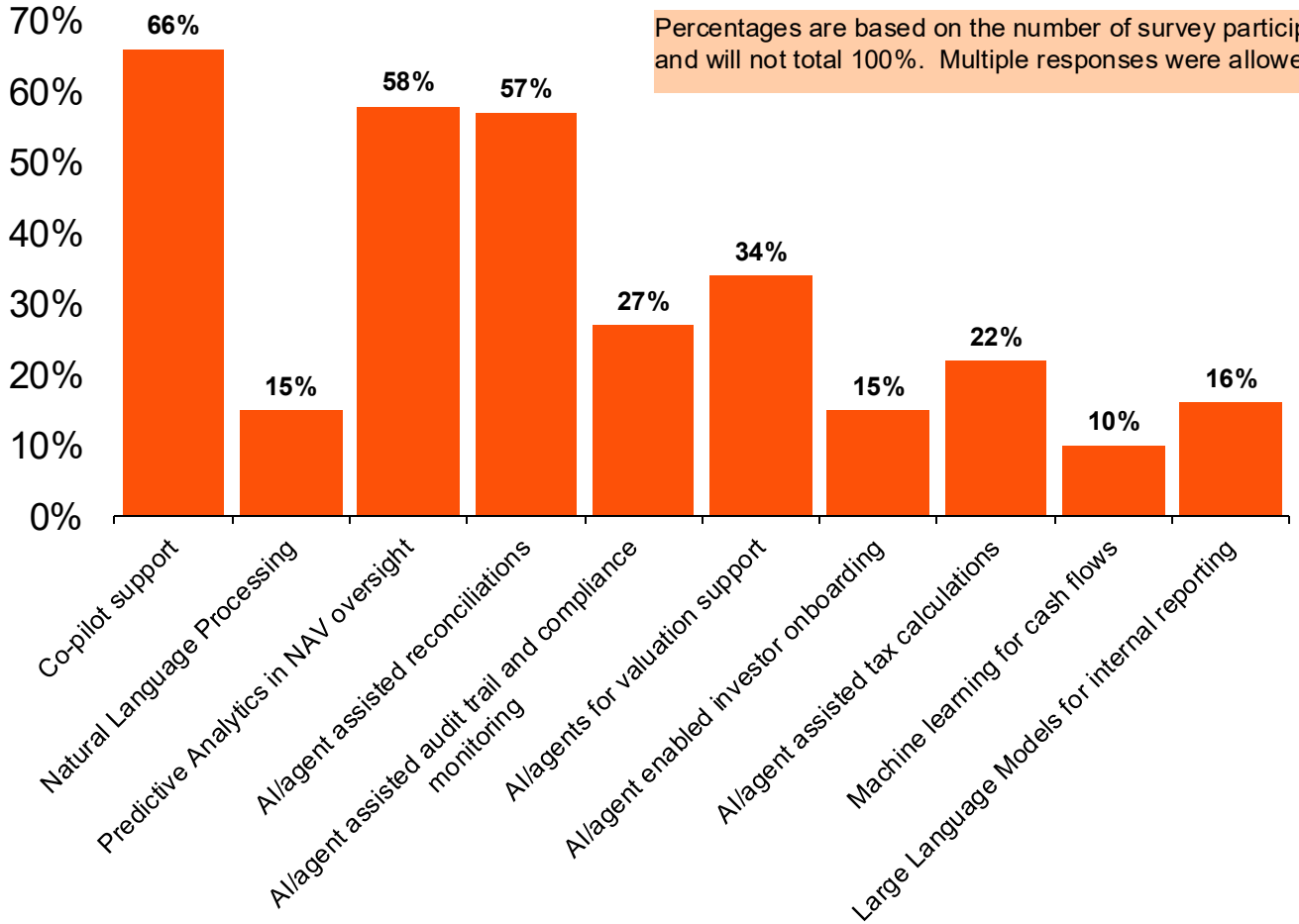
Stages of AI Adoption in Fund Controllership



AI/Agentic Capabilities in Use or Pilot

We asked survey participants to indicate **where they are using AI or agentic capabilities** in their respective fund controllership functions.

Current AI/Agentic Capabilities in Fund Controllership



Percentages are based on the number of survey participants and will not total 100%. Multiple responses were allowed.

AI Capabilities Usage Overview

- Co-pilot support leads with 66% usage, **key for document preparation, research and reviews, as well as summarizing fund documents.**
- Predictive Analytics at 58%, shows **growing interest in anomaly detection.**
- AI-assisted reconciliations adopted by 57%, allowing firms to **focus on true exceptions requiring human judgment helping automate exception management.**

PwC Observations

Many fund controllers are in the pilot or early scaling phases using AI/Agentic tools to assist them with reporting, compliance, analytics, calculations, reconciliations, etc. There are significant opportunities for firms to **expand the use of AI and related efficiencies, through investment in core capabilities required to deliver AI value.**

Validation and Audit of AI Outputs

We asked firms **how** their respective fund controllership functions **validate the outputs of AI tools**.

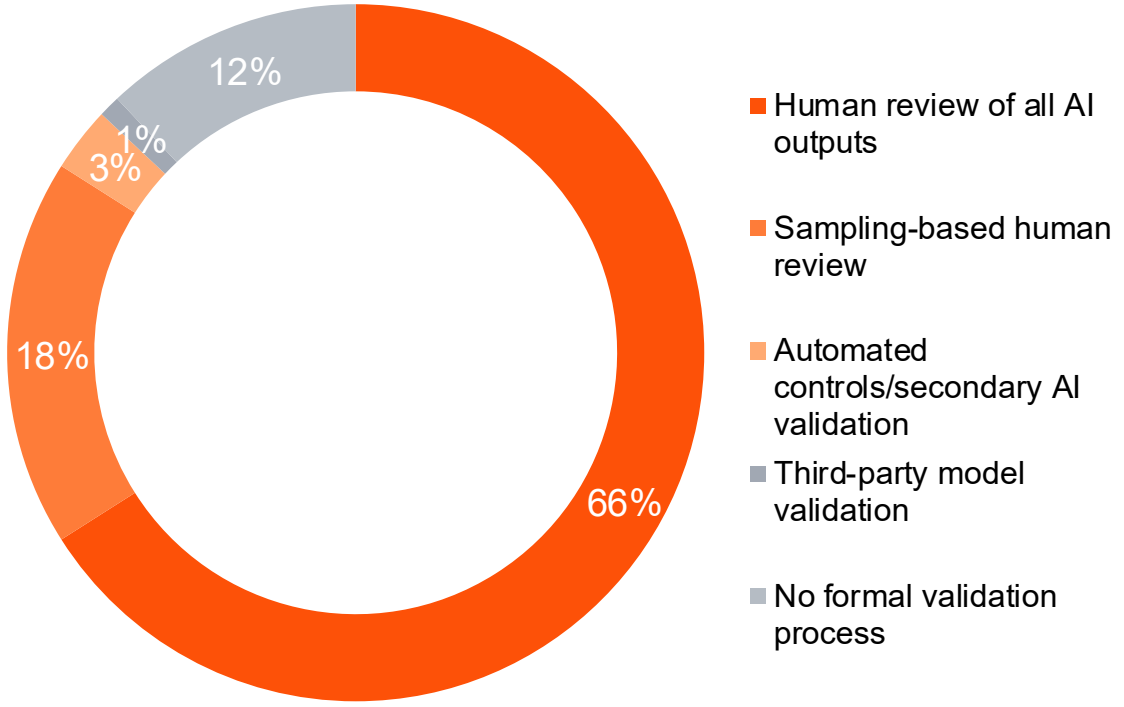
Validation and Audit Methods

- 66% of organizations conduct human review of all AI outputs, underscoring the **importance of manual oversight in AI-driven processes.**
- 18% use sampling-based human review to **balance thoroughness with efficiency in validation.**
- Only 3% employ automated controls or secondary AI validation methods, **indicating early adoption of automated validation tools.**
- 12% of respondents report no formal validation process, signaling potential risks in AI output governance and quality assurance.

PwC Observations

As outlined in PwC's Earning autonomy: A control framework for agentic AI in financial reporting, consider observability techniques, data and agent governance, and monitoring-all tech-forward solutions to evolve human in the loop oversight.

Methods for Validating and Auditing AI Outputs

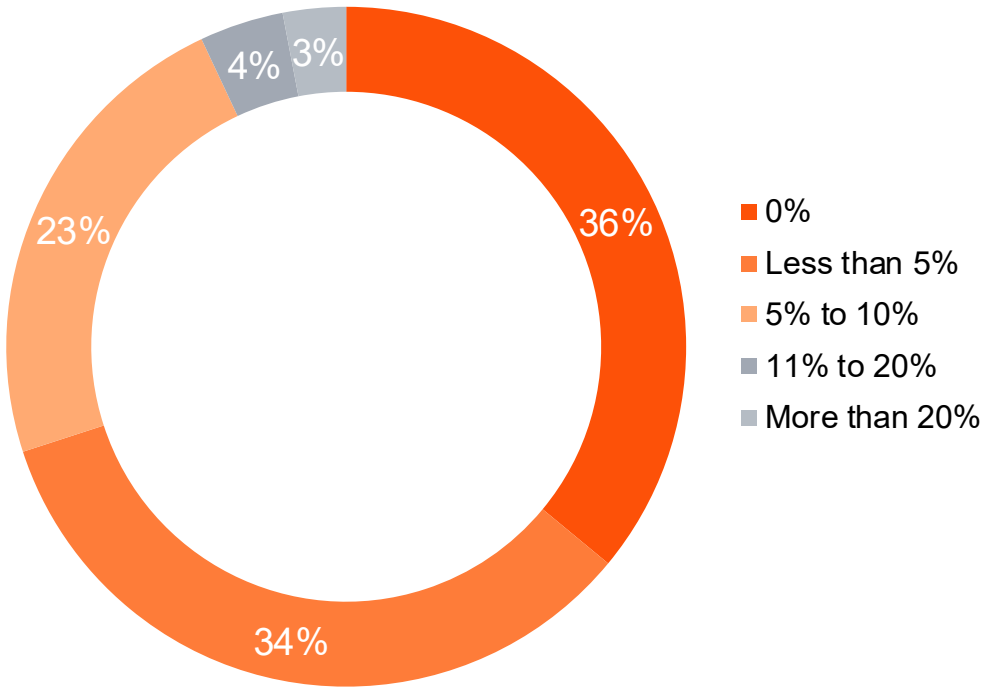


Fund Controllership AI Budget and AI Use Cases

We asked survey participants what percentage of their fund controllership budget is allocated to AI.

A significant portion of fund controllership budgets remain conservative, with 70% allocating less than 5% of their respective fund controllership budgets to AI and advanced technology initiatives.

Percentage of Fund Controllership Budget Allocated to AI and Advanced Technology



AI Budget Observations

- There is a **misaligned cost/benefit perception** as fund controllership is often viewed as a cost center as the benefits of AI in back-office operations are difficult to quantify.
- Historically fund controllership functions have had **limited staff with technology backgrounds.**
- **Fee compression, margin pressure and talent scarcity** is driving more interest in AI and other technologies.
- The maturity of enterprise-grade AI tools, including data extraction, data aggregation, exception-based reconciliations, etc. are also increasing interest in AI.

PwC Observations

There is a wide gap between stated AI ambition in this survey and the actual investment in AI. The firms that will separate themselves from the pack are those that treat technology investment—particularly in AI and data governance—as a **strategic necessity rather than a discretionary expense.**

Section 4: Forward Looking – 2026 and Beyond

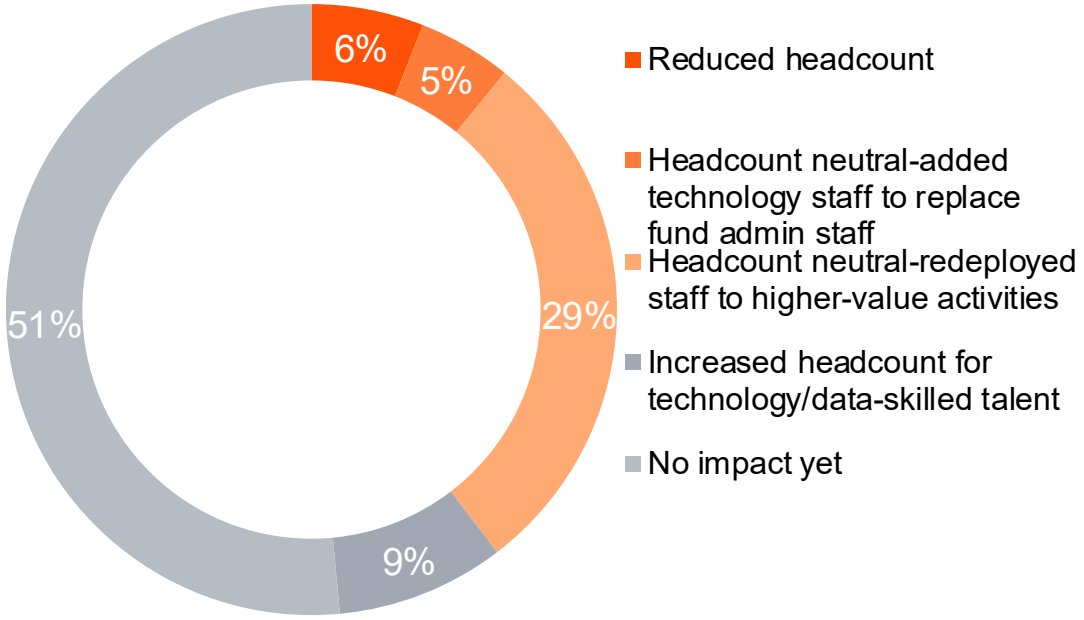


Impact of Technology Transformation on Headcount (Past Year v 2030)

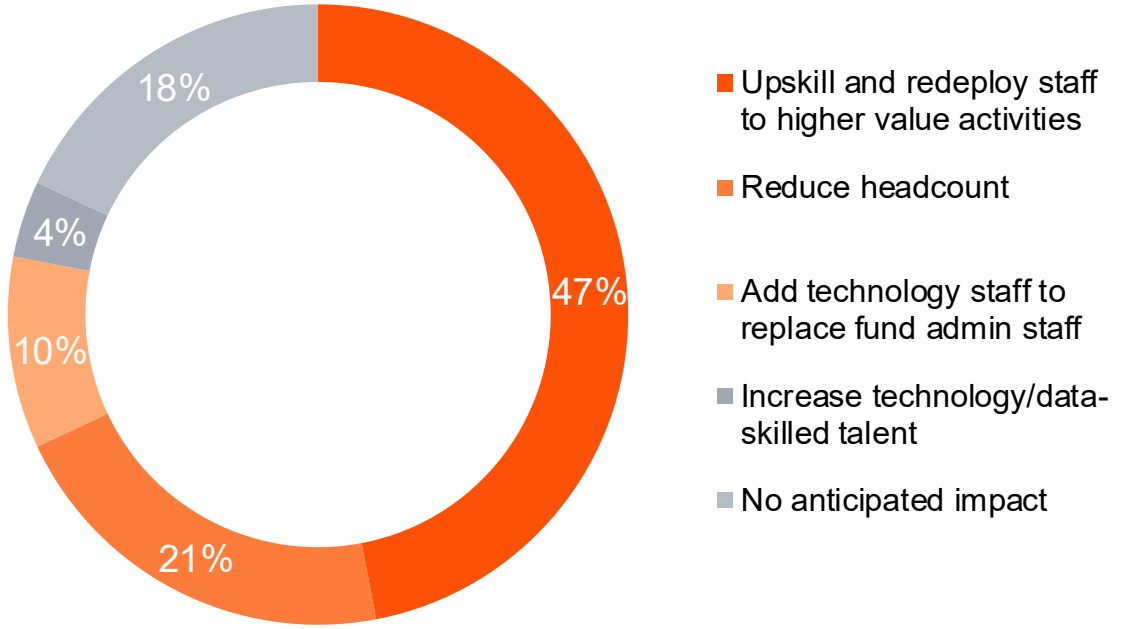
We asked firms how technology transformation has impacted headcount and talent strategy in their respective fund controllership function over the past year and also through 2030.

Over past year, it's been minimal. However, between now and 2030 firms expect to focus more on upskilling staff, with some headcount reductions partially offset by hiring staff with technology skills.

Headcount and Talent Strategy Impact Over Past Year



Anticipated Impact on Headcount & Talent Strategy by 2030

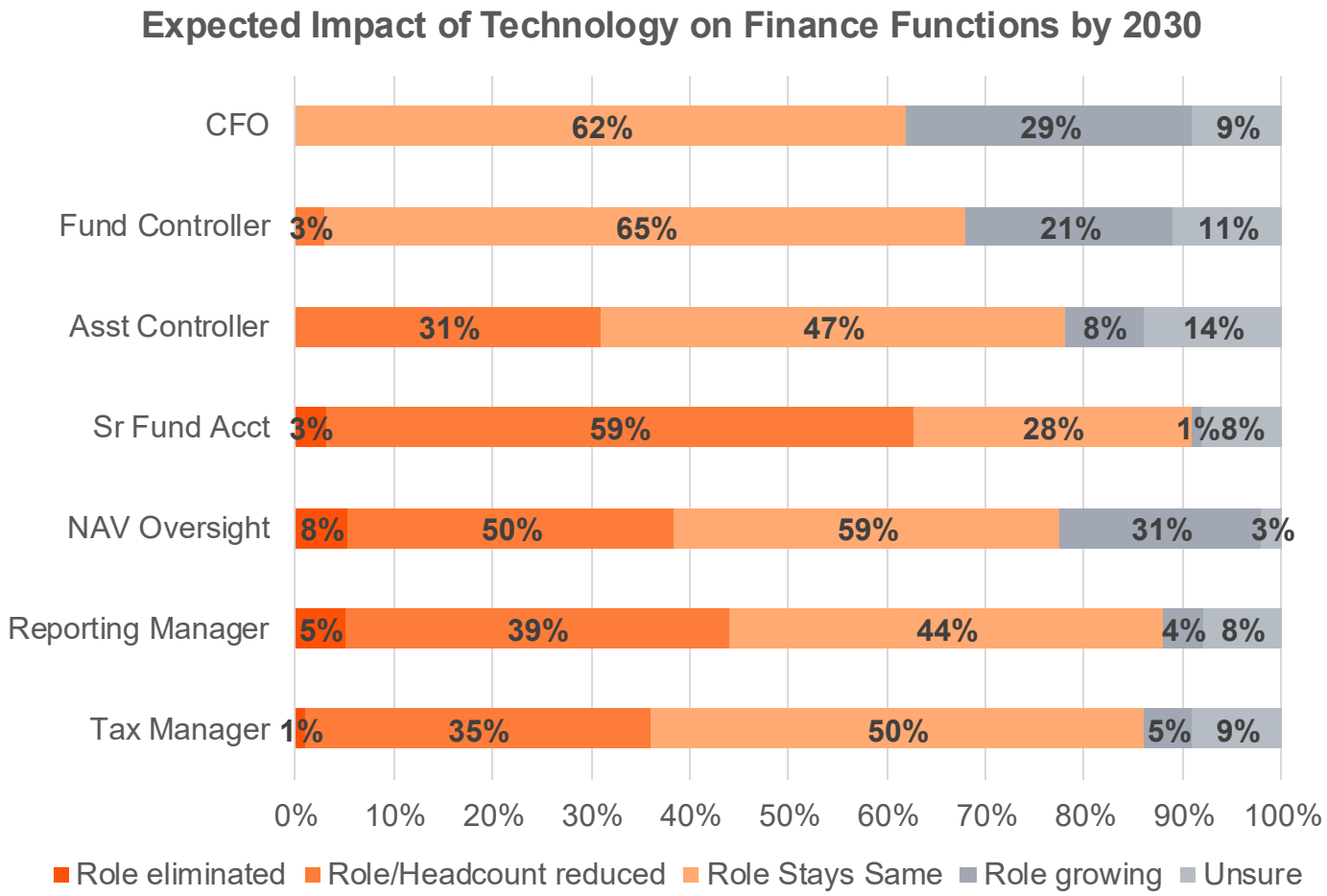


How Technology May Impact Fund Finance Functions by 2030

We asked firms to project the expected impact of technology on fund finance functions by 2030.

Observations of expected impact of technology on finance functions by 2030

- Technology is expected to significantly reshape fund finance functions by 2030, **with impacts varying by role, technology type and specific functions.**
- As noted in earlier slides, **key drivers of sourcing decisions include cost reduction, labor arbitrage, and competitive pressures.**
- Fund finance functions are evolving from accounting and reporting into **core strategic roles** that help with **analyzing fund data**, **forecasting future needs** and using insights to **help guide business decisions**.

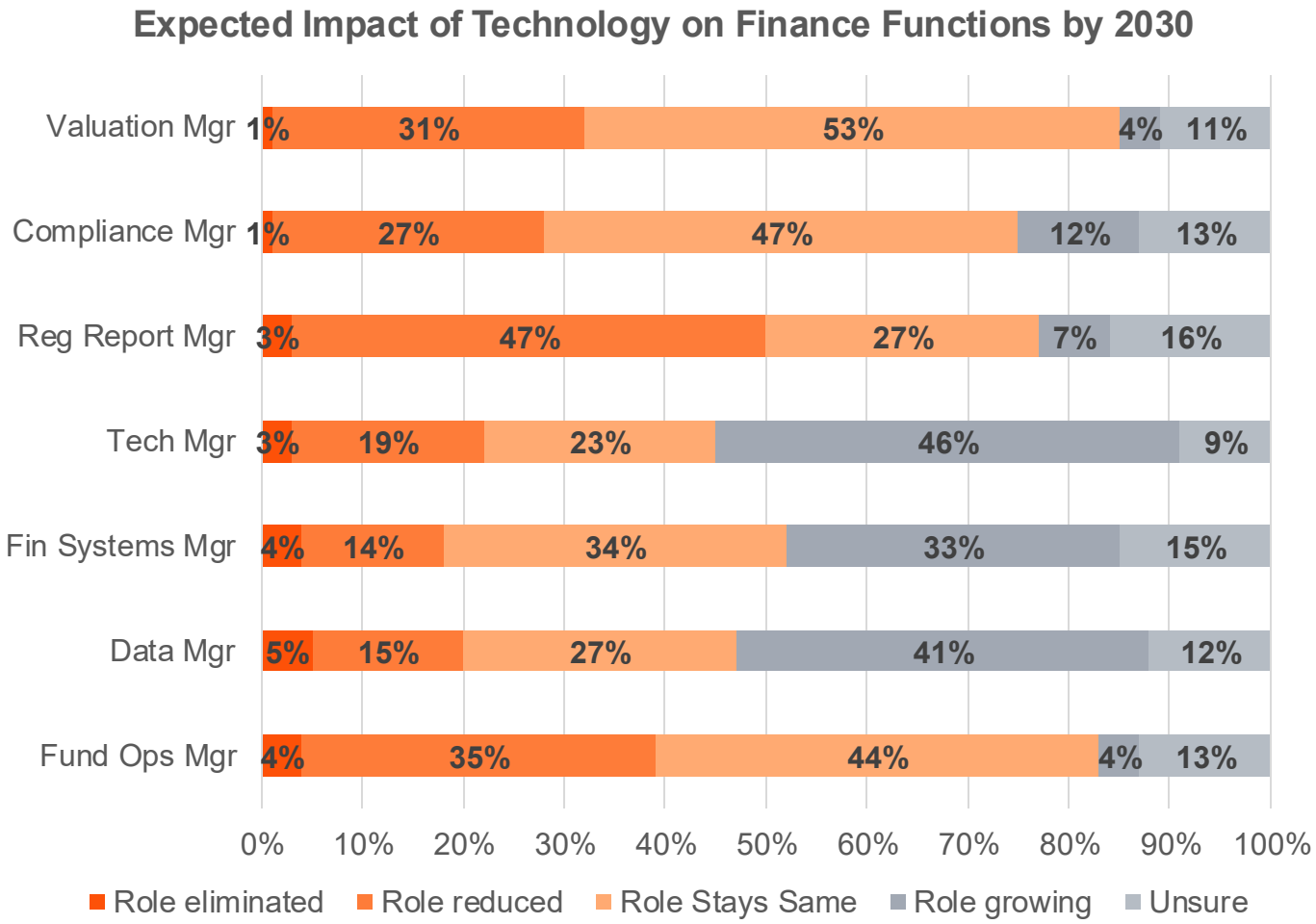


How Technology May Impact Fund Finance Functions by 2030-Continued

We asked firms to project the expected impact of technology on fund finance functions by 2030.

Observations of expected impact of technology on finance functions by 2030

- By 2030, technology's impact on fund finance will be **bifurcated-reducing some roles while other roles grow in importance.**
- It is important to note that despite automation advances, **firms emphasized the need for human review of technology outputs.**
- The overall finance function expected to **shift** from manual processing towards **technology governance and higher-value analytical work.**

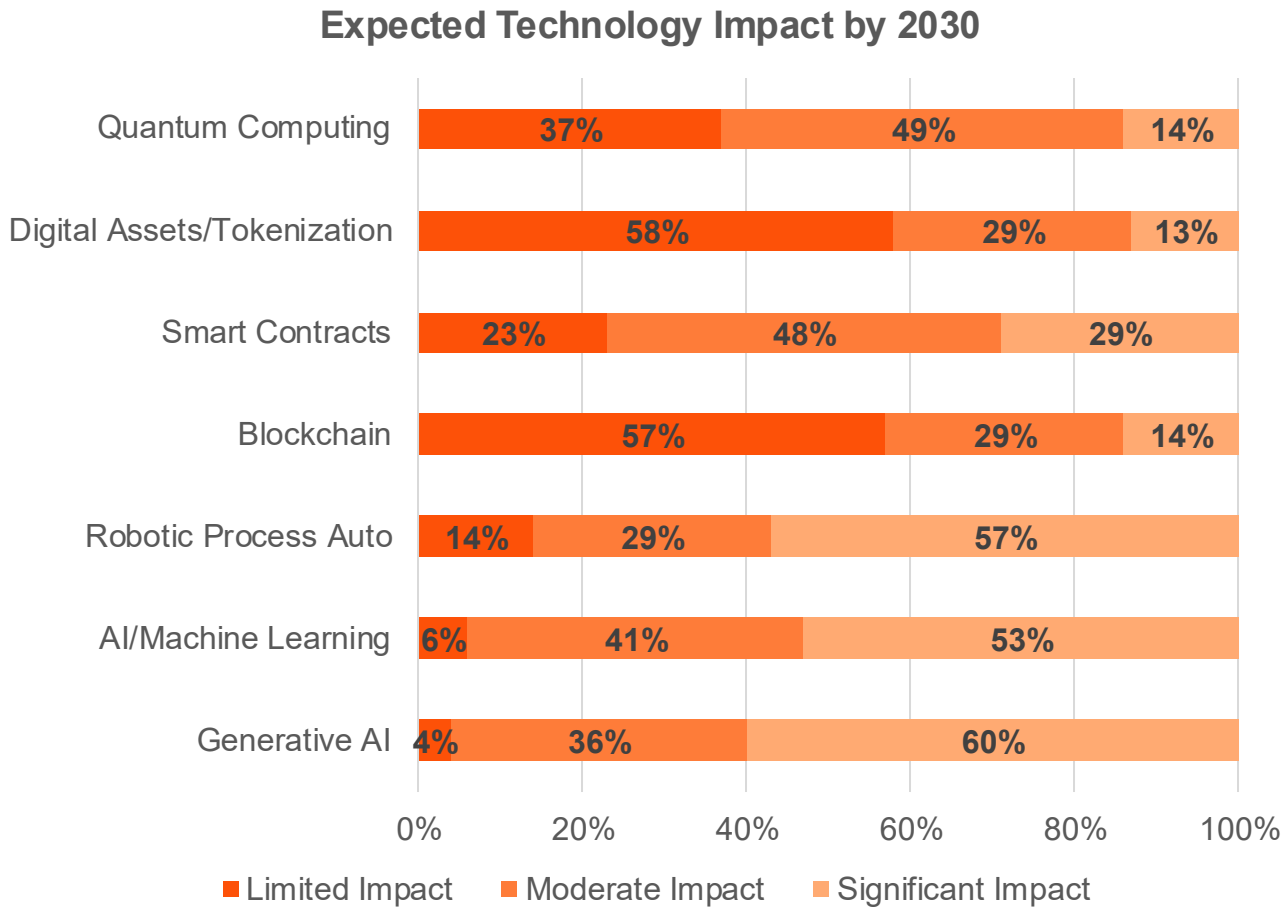


Expected Technology Impact on Fund Finance Activities by 2030

We asked how transformative they expected the following technologies on their respective fund finance activities by 2030.

Technology Impact Observations

- Technology is expected to have **wide-ranging impacts** on fund finance by 2030, **spanning specific technologies, activities/functions, job roles, and operating models.**
- By 2030, fund finance is expected to **see near-full automation of routine reconciliation, valuation support, and reporting tasks** (driven mainly by GenAI, ML, and RPA), **while blockchain / tokenization / quantum remain longer-horizon bets.**
- This will bifurcate the workforce — **shrinking transactional roles while elevating technology, data, and compliance-oversight roles** — with human review remaining a critical control even as automation expands.



Strategic Relevancy for the Fund Finance Function by 2030

Five imperatives for staying ahead as technology reshapes fund controllership through 2030

1	**Make Transformation Continuous, Not Reactive**	Move beyond event-triggered reviews (41% today) toward **proactive, annual operating model assessments** — proactive firms show **greater agility, cost control, and talent development.**
2	**Treat AI as a Strategic Necessity, Not a Cost Center**	Close the **gap between AI ambition and investment** — 72% of firms allocate <5% of budget to AI. Leading firms **will fund AI and data governance as core infrastructure**, not discretionary spend.
3	**Shift the Function's Center of Gravity Upward**	As routine reconciliation, valuation, and reporting automate, relevancy depends on **moving from data preparation to technology governance, exception management, and analytical oversight.**
4	**Preserve Human Judgment as the enduring control arbiter**	66% of firms still require human review of AI outputs — **human oversight** isn't a transitional phase, **it's a permanent control layer that fund finance must own and refine.**
5	**Protect What's Strategic; Partner on What's Not**	Focus on **core competencies** and **strategic initiatives** and partner with **firms that make your firm better**. Keep functions that **align with investors needs close to the business.**

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