

MARKET RELEASE - MONDAY, 19 MAY 2025

Spark announces new strategic network partnership with Nokia

- Network operations partnership forms part of technology delivery model transformation
- The partnership will accelerate the use of AI and automation and contribute to reduced network operating costs, supporting SPK-26 Operate Programme cost out

Spark New Zealand (Spark) today announced it has signed a strategic network operations partnership with Nokia.

Under the partnership, Nokia will manage the day-to-day monitoring and support for Spark's network, while Spark will retain strategic decision-making and control over all components of competitive advantage, including future network strategy and planning, network design engineering, critical incident oversight, and complex operations. Spark and Nokia will jointly develop AI and automation capabilities to deliver better network experiences for Spark customers.

As part of the agreement, Nokia will establish a local Network Operations Centre (NOC) to complement its global operations, and ensure critical local support and expertise is retained in New Zealand.

Spark Network and Operations Director Renee Mateparae said, "Spark has had a long-term strategic focus on building a resilient, adaptive, and automated network that delivers better customer experiences in an efficient way. Technology has evolved rapidly in recent years, and with the deployment of 5G and greater levels of virtualisation, networks are becoming increasingly complex – with more elements to monitor and manage.

"Through this strategic partnership, we can focus our teams on network strategy and areas of competitive advantage for Spark, while leveraging Nokia's global scale and extensive AI and automation capabilities to deliver labour-intensive and manual network tasks more efficiently.

"Nokia and Spark will also work together to co-design use cases that will accelerate Spark's network strategy through AI and automation, moving us from reactive fault management to smarter network monitoring, which will enable us to detect and address issues proactively for our customers."

Friedrich Trawoeger, VP Managed Services at Nokia, said, "Nokia and Spark have a long history of working together. We are excited by the opportunities this expanded partnership will create, as we combine our extensive network operations and AI expertise with Spark's track record of delivering network innovation to New Zealand. Together, we will enable a smarter, more efficient network for Spark and enhanced user experience for its customers."

This partnership with Nokia now completes the transformation of Spark's technology delivery model.

SPK-26 Operate Programme

As previously disclosed, Spark has expanded its SPK-26 Operate Programme to include a significant transformation of its technology delivery model. This delivery model refers to Spark's IT and network operations.

Spark has had a long-term focus on modernising its technology, embedding AI into its business, and building a resilient, adaptive, and automated network. The new technology delivery model accelerates this long-term focus through the establishment of several strategic partnerships – a common structure utilised by telcos in offshore markets.

Through these partnerships Spark will leverage the scale, capability, and innovation of global partners, to support better customer outcomes and improved cost efficiency. This supports Spark's ambition to deliver an ~\$80-\$100 million reduction in net labour and opex costs in FY25, and annualised benefits of \$110-\$140 million by FY27, as outlined in its <u>H1 25 results presentation</u>.

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