What is the telcos' right to play in sovereign AI?

STL Partners webinar

27th November 2025

In partnership with:



Red Hat

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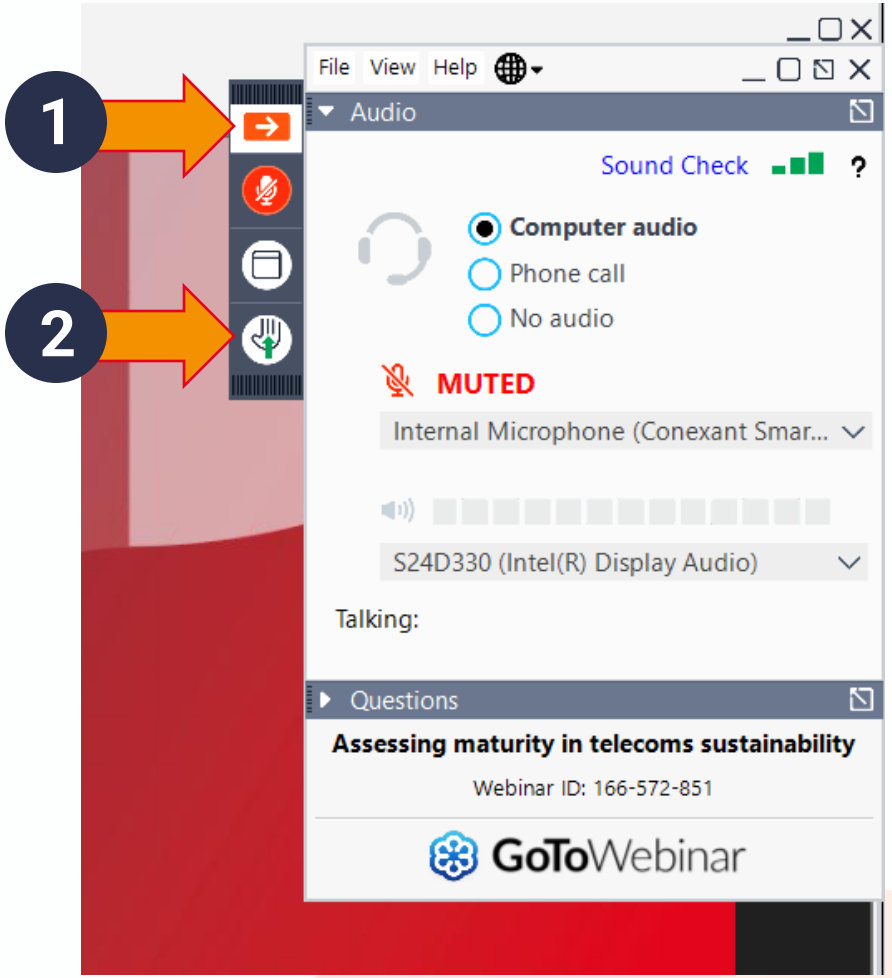
Agenda

1	**Introduction and housekeeping**	15:00 – 15:05
2	**STL presentation**	15:05 – 15:20
3	**Tech Mahindra presentation**	15:20 – 15:30
4	**Panel discussion and Q&A**	15:30 – 15:55
5	**Wrap up**	15:55 – 16:00

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Our speakers



JOE HURMAN

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Data Centre Lead

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CEO

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ABHISHEK MALHOTRA

Global Head of Network
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Tech Mahindra



AVIV GUETTA

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What is sovereign AI?

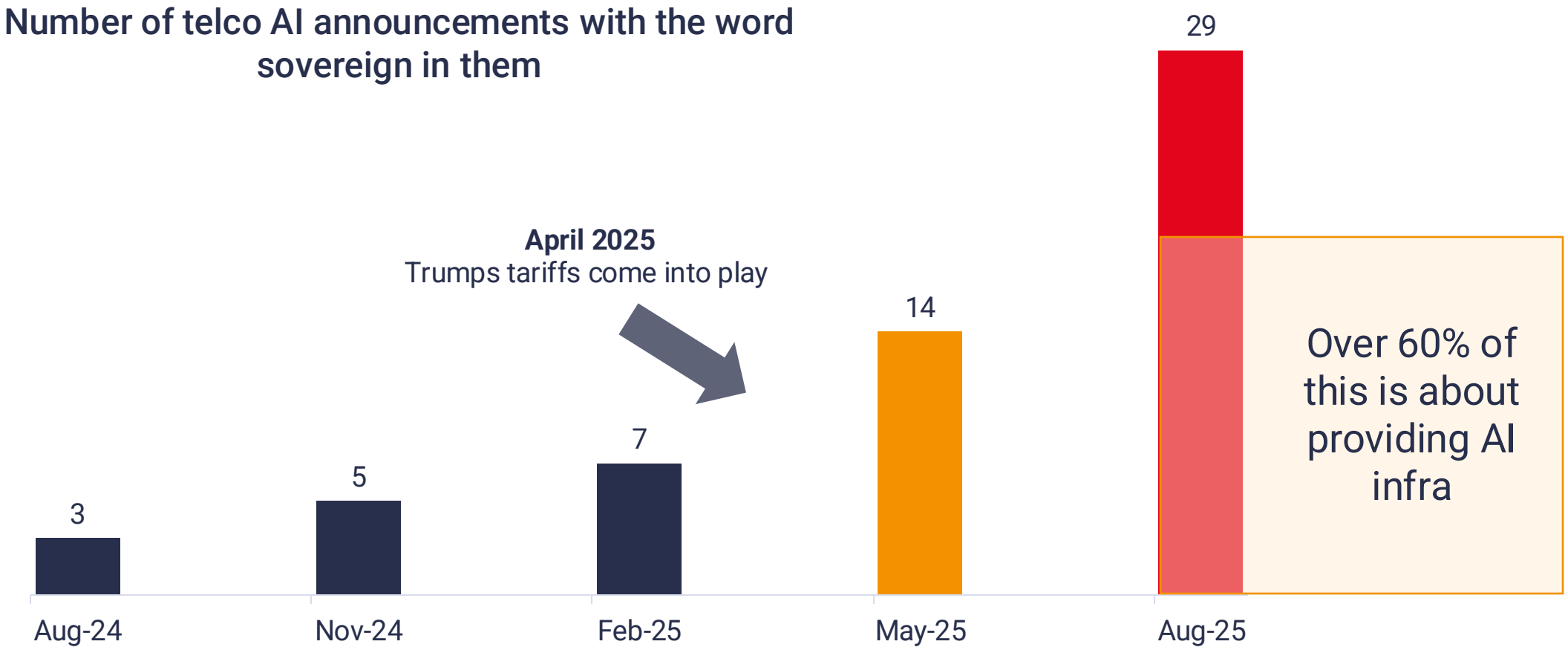
Develop the technical abilities to develop AI models without full reliance on foreign technologies

Sovereign AI is a nation's independent control over its AI systems, data and infrastructure

Abide by data sovereignty principles with regulatory controls on data storage, processing and cross-border data transfers

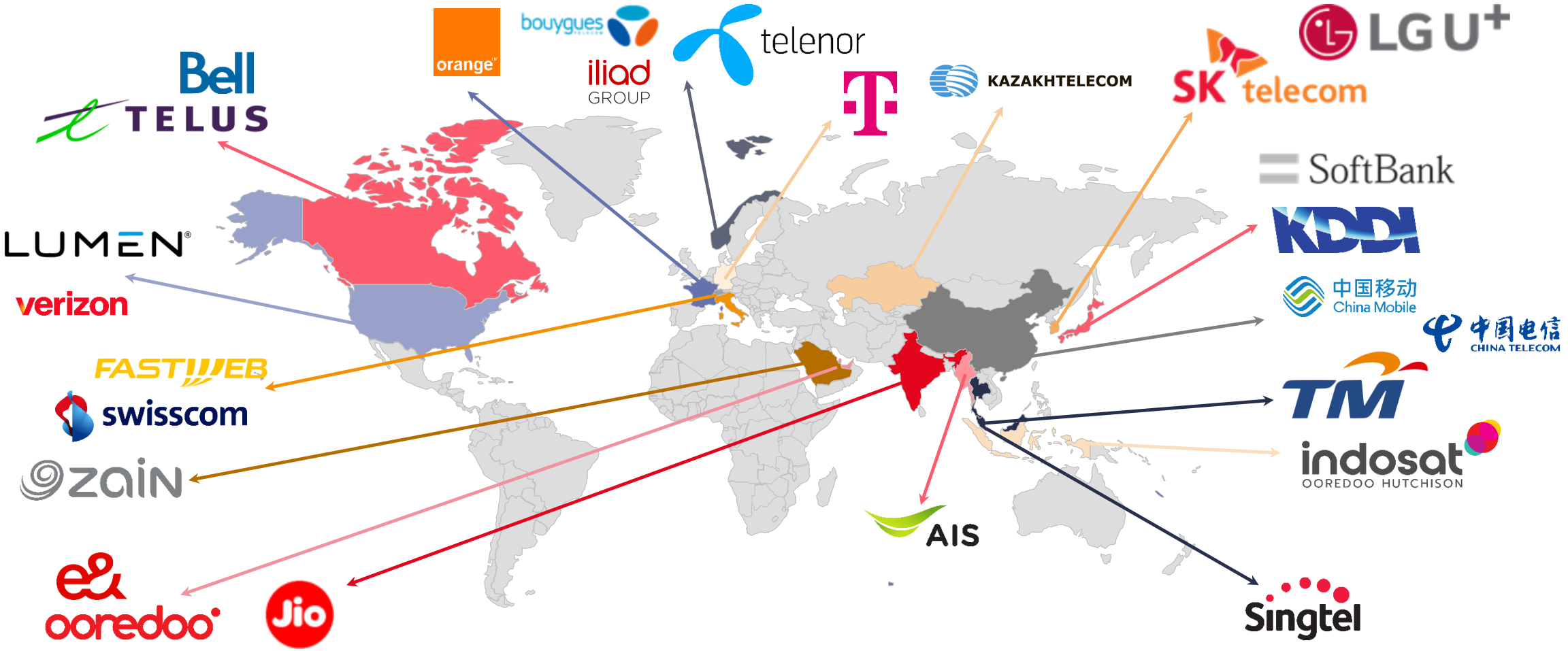
Critical infrastructure owned and controlled by national companies (data centre, connectivity and energy systems)

Globally, telcos view sovereign AI as an opportunity for new revenue generation

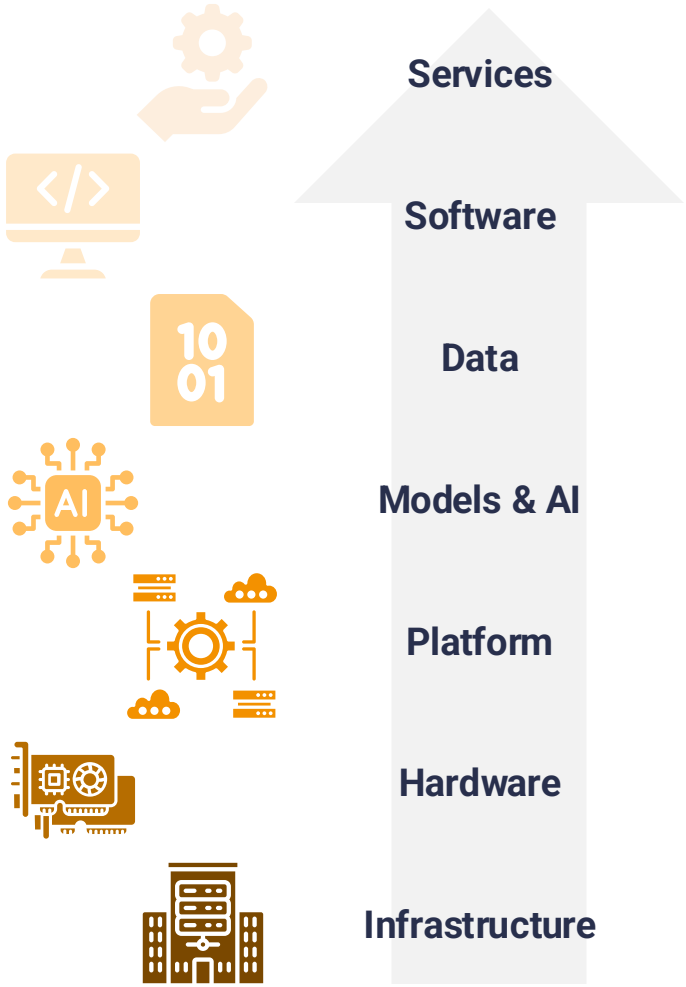


Source: STL Partners Telco GenAI adoption tracker

These deployments are consistent across regions, however the solutions offered vary across the AI value chain

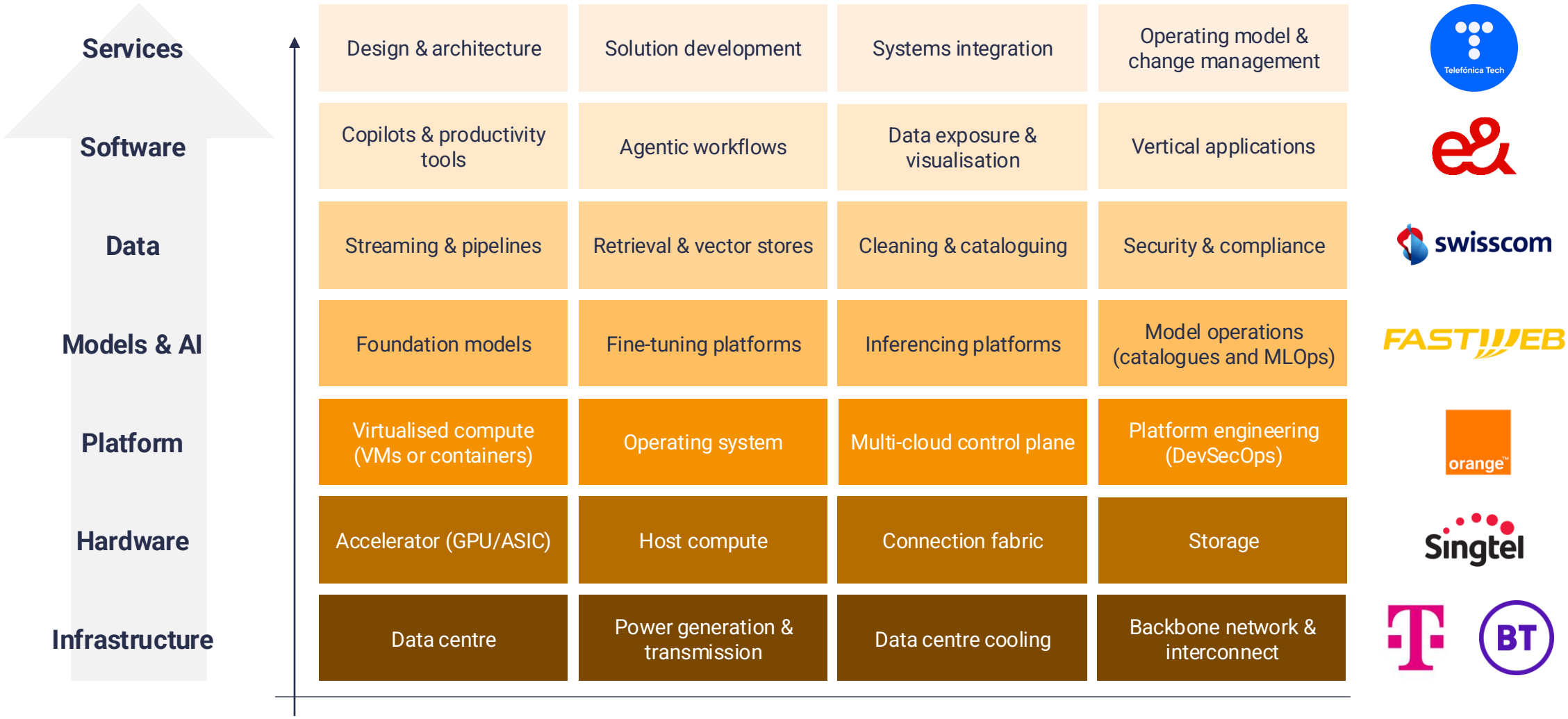


What does the AI landscape look like? A value chain approach

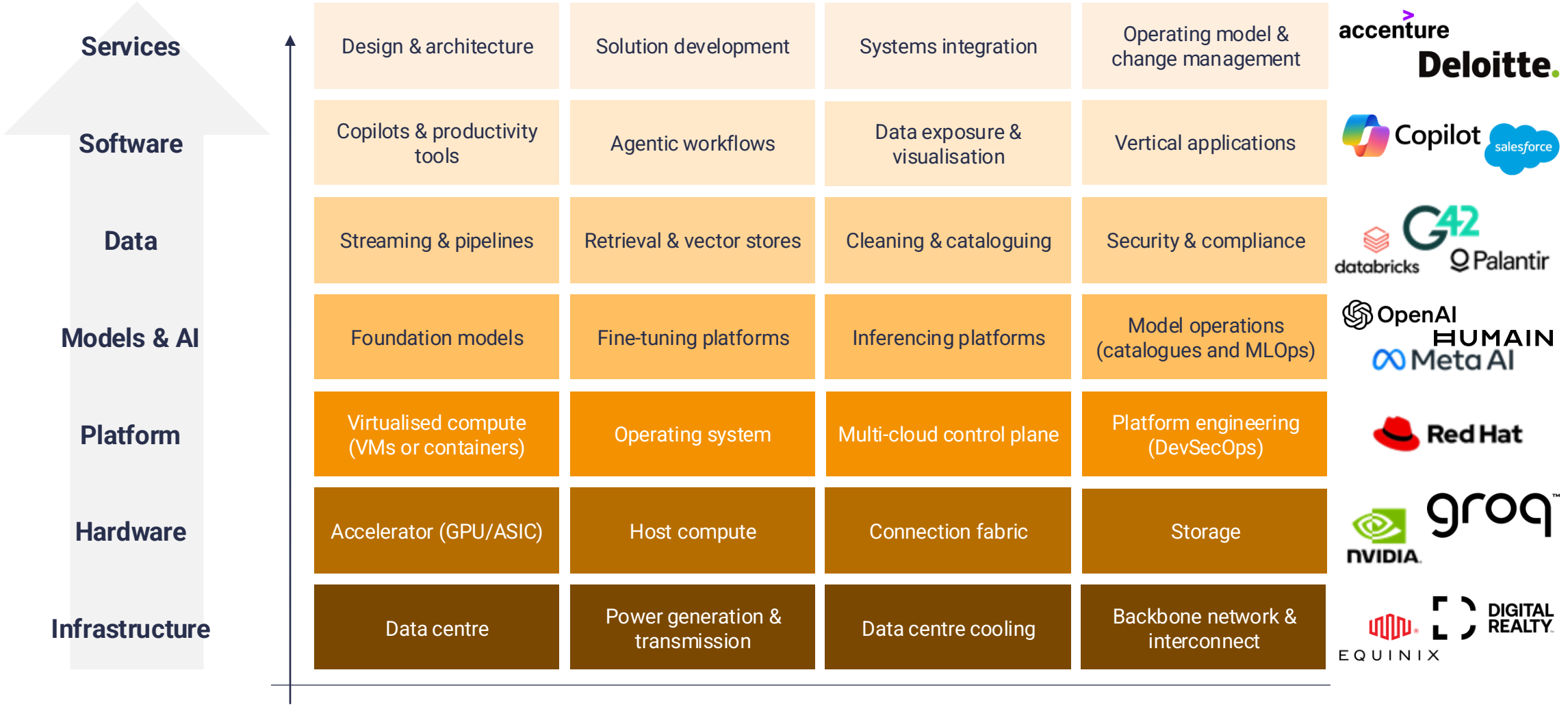


Services	Design & architecture	Solution development	Systems integration	Operating model & change management
Software	Copilots & productivity tools	Agentic workflows	Data exposure & visualisation	Vertical applications
Data	Streaming & pipelines	Retrieval & vector stores	Cleaning & cataloguing	Security & compliance
Models & AI	Foundation models	Fine-tuning platforms	Inferencing platforms	Model operations (catalogues and MLOps)
Platform	Virtualised compute (VMs or containers)	Operating system	Multi-cloud control plane	Platform engineering (DevSecOps)
Hardware	Accelerator (GPU/ASIC)	Host compute	Connection fabric	Storage
Infrastructure	Data centre	Power generation & transmission	Data centre cooling	Backbone network & interconnect

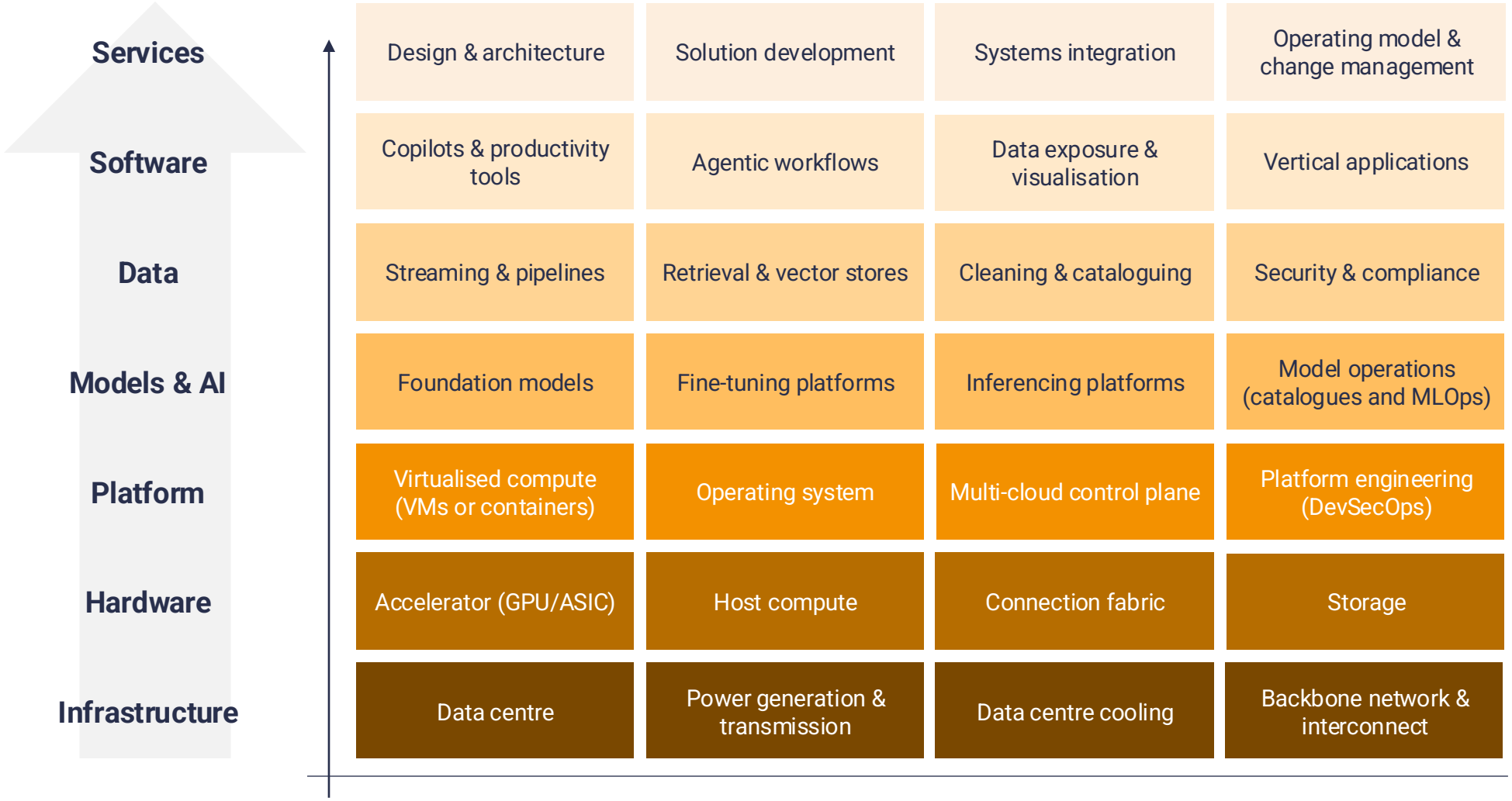
Telcos are going to market with solutions across this value chain



However, telcos cannot rely on a moat around the AI opportunity, and should partner selectively to serve the most attractive opportunities

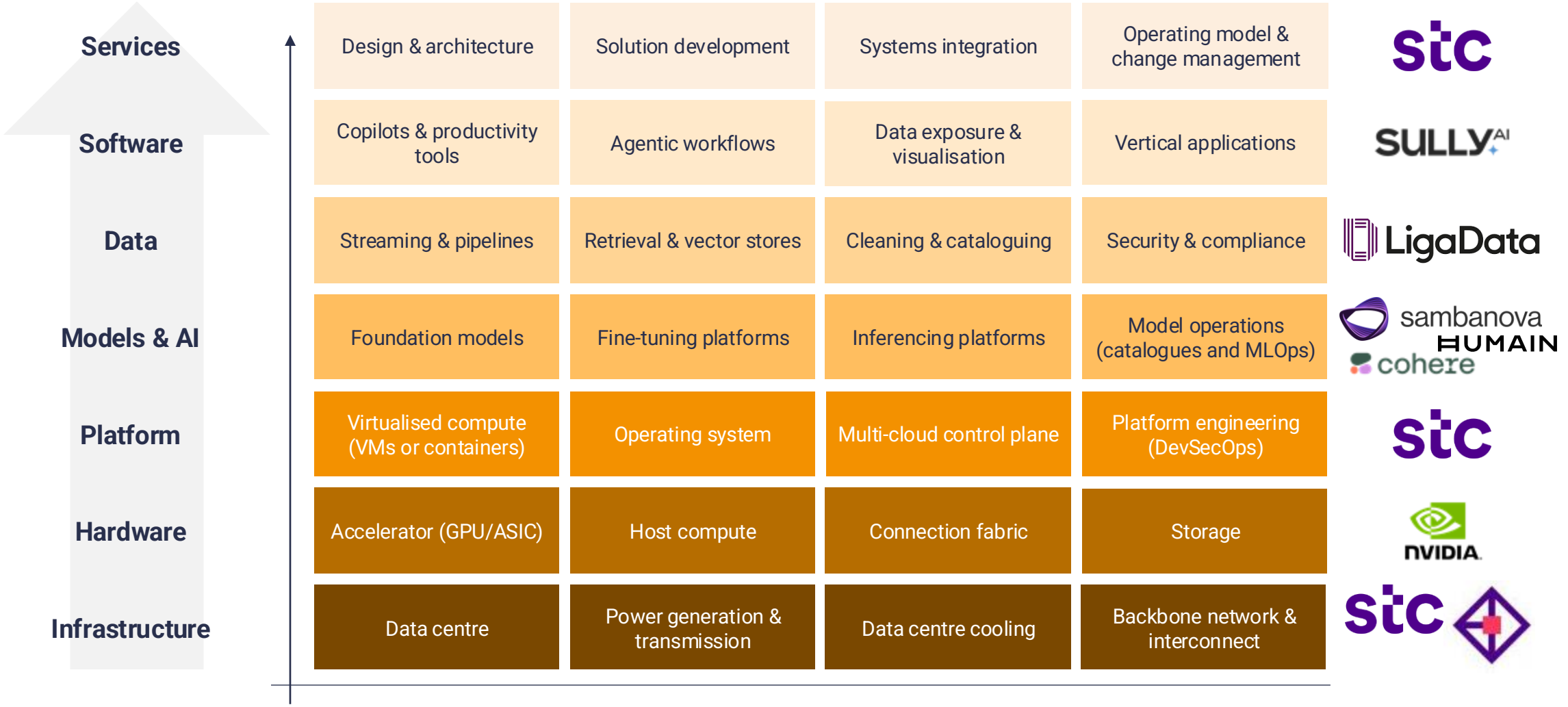


Partnering across the ecosystem is critical to success in packaging complex technical products into solutions with clear business benefits



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Telcos must understand the value they can bring to partners with different strategies, products and propositions



STL has three key recommendations for telcos evaluating their sovereign AI opportunity



Build sovereign AI products and propositions to meet future customer demand



Proactively build strategic partnerships to broaden capabilities and reputation



Be agile in solution development and accelerate time-to-market

Key recommendation #1: Build sovereign AI products and propositions to meet future customer demand

Every market is different



Every telco has different competitive advantages

- Infrastructure
- Enterprise customer base
- Local language expertise

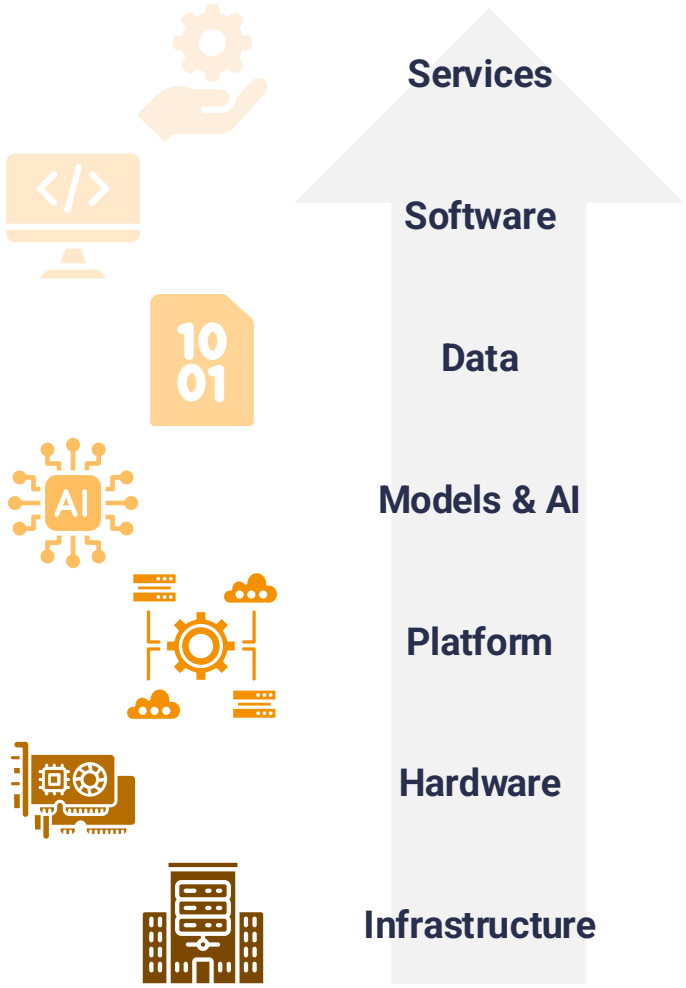
Optimal products and propositions will vary by market and sector

GOVERNMENT

FINANCE

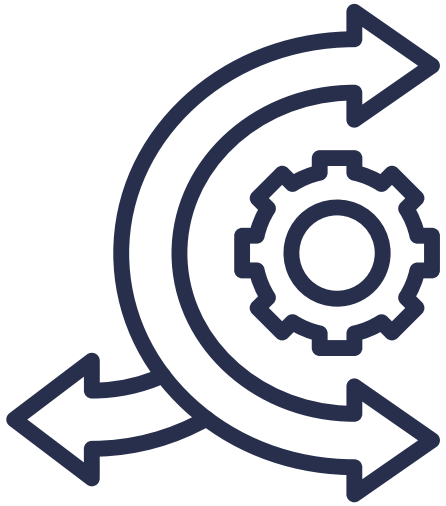
HEALTHCARE

Key recommendation #2: Proactively build strategic partnerships to broaden capabilities and reputation



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Key recommendation #3: Be agile in solution development and accelerate time-to-market



Be agile in solution development

- Ignore sunk costs and pivot as soon as innovation disrupts the market
- Make mistakes and fail fast
- Realise first mover advantage in new AI markets as they emerge



Accelerate time-to-market

- Tighten innovation, development and release cycles
- Leverage PoCs, betas, trials and demos to get critical customer feedback early and often
- Differentiate on development velocity

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Sovereign AI for Telcos

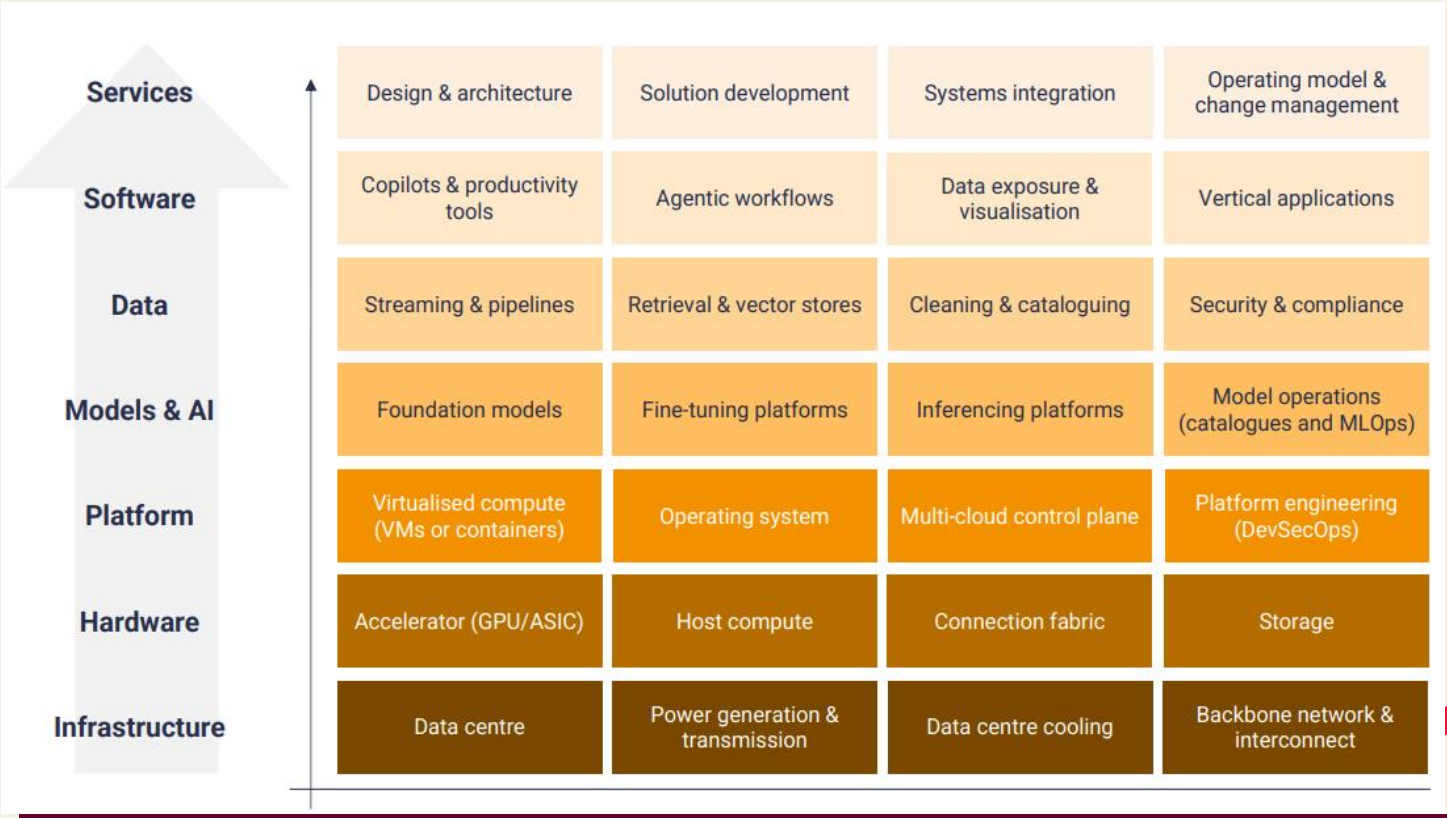
Abhishek Malhotra,
Global Business Head – Network Services Tech Mahindra

TECH mahindra

Sovereign AI in Telcos

Essential Components for Telco-Led Sovereign AI

1. **Data Localization & Privacy**
   - Subscriber data and network telemetry stay within national or operator-controlled boundaries utilizing localized Data and Hardware.
2. **AI Model Control**
   - Telcos own and manage AI models, Inferencing servers and AIOps for network optimization, predictive maintenance, and customer analytics—avoiding dependency on foreign hyperscalers.
3. **Edge AI for 5GAI**
   - deployed at MEC (Multi-access Edge Computing) nodes for low latency and sovereignty compliance to build AI Use cases based on Agentic Workflows
4. **Regulatory Alignment**
   - Meets telecom-specific mandates like lawful interception, data retention and GDPR/DPDP Act.
5. **Security & Assurance**
   - Integration with sovereign cloud, encryption, and local key management for AI workloads.



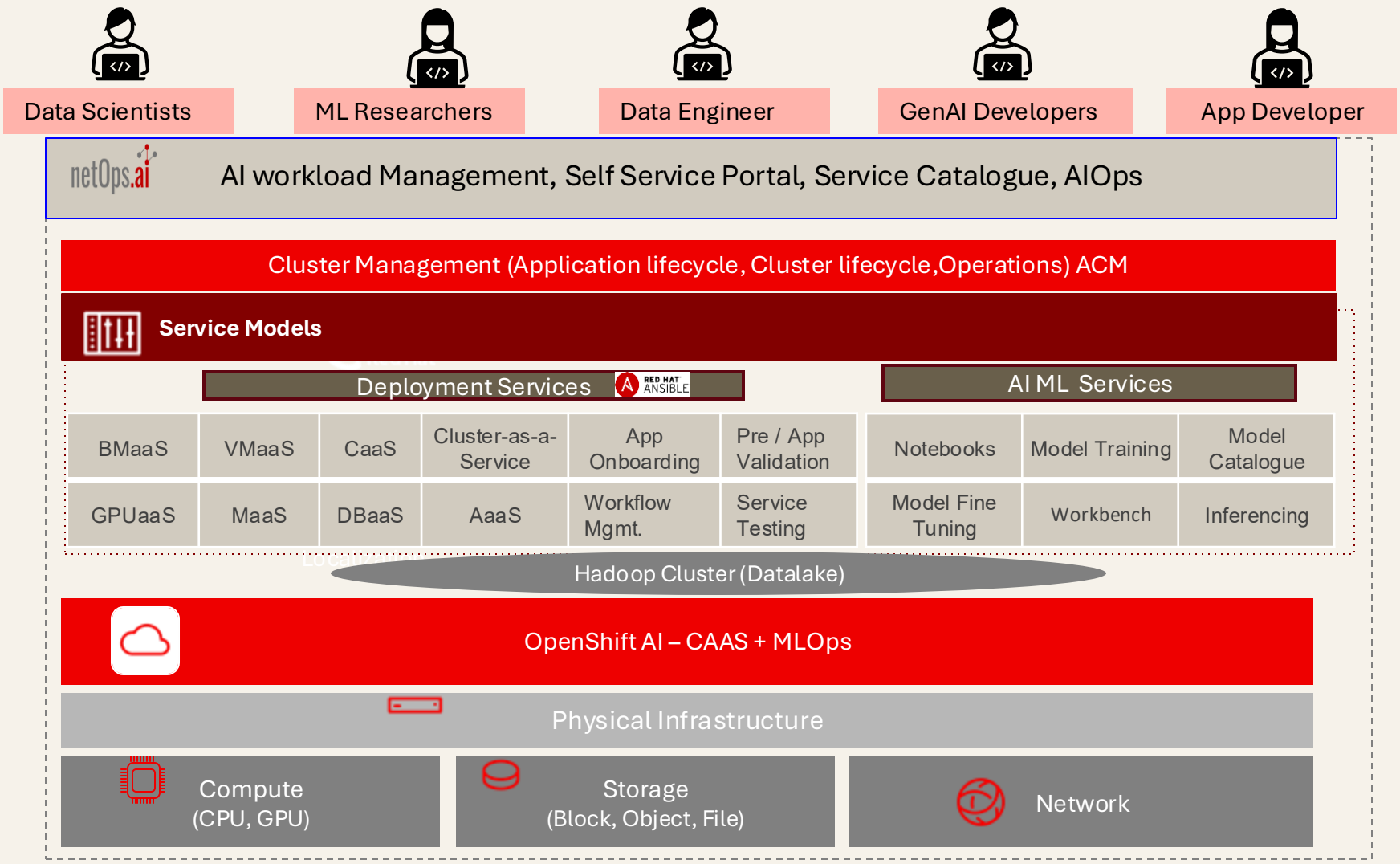
Example Use Cases for Telcos

1. **Network Optimization:** AI-powered traffic prediction and intelligent resource allocation within sovereign infrastructure for secure, compliant network optimization
2. **Fraud Detection:** AI models trained on synthetic CDRs without exposing real subscriber data.
3. **Customer Experience:** Personalization models running on sovereign infrastructure

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TechM value prop in Sovereign AI stack

TechM as SI in RedHat Sovereign AI Architecture



- ITSM Integrations
- Billing Integration
- Customer Portal
- Monitoring / Alerting
- Backup / Data Protection
- Replication
- Identity
- Ansible Automation
- Compliance / Security
- Networks / Firewalls
- Data Pipeline

RedHat | Others | TechM

Broader set of Network Integrations, LCM and migrations

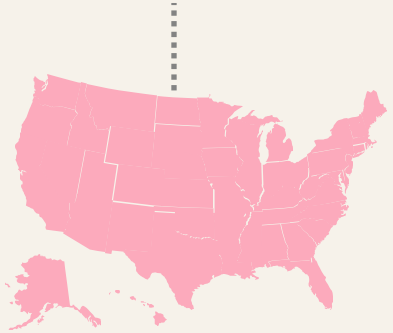
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TechM–Red Hat Credentials - Key Sovereign Cloud Case Studies

Leading Network Simplification, Modernisation and Monetisation

CALA

Digicel



CLOUD INFRA AND CONNECTIVITY: Microsoft Azure

INFRA: Hewlett Packard Enterprise

DNS: Infoblox

CAAS PLATFORM: Red Hat OPEN SHIFT

Scope:
- *Sovereign Cloud DC Setup using RedHat OpenStack*
- *Deployment and integration of Affirmed vEPC solution on RHOSP Cloud*
- *Integrating with other network elements – Siemens, Infoblox*

Drivers:
- *Integration Services*
- *E2E Solution and Service Validation*

TELECOM INFRA PROJECT

TELECOM INFRA PROJECT

Telefónica



5G CORE VNF / CNFG: affirmed

NETWORKING: Juniper Networks, ALTIOSTAR

RAN: ALTRAN

CAAS PLATFORM: Red Hat

Scope:
- *Sovereign Telco Cloud setup on Redhat Openstack*
- *Automating virtualized deployment and management of open RAN for 4G and 5G NR on Redhat Openstack*
- *Integrating multi-vendor RAN with EPC*

Drivers:
- *Automation*
- *Integration Services*
- *E2E Testing and Validation*

BELGIUM

proximus

MODERNIZE



SDN: CISCO

INFRA: Hewlett Packard Enterprise

CAAS PLATFORM: Red Hat

ORCHESTRATION: CLOUDIFY

Scope:
- *Sovereign Telco Cloud Planning, Deployment & Integration using RedHat OpenStack*
- *Network Automation*
- *Orchestration Design and Development*

Drivers:
- *Zero Touch Automation for Deployment and Testing*
- *Cost Saving Delivery Model*

AUSTRALIA

Telstra

MODERNIZE



SDN: Juniper Networks

INFRA: DELL

CAAS PLATFORM: Red Hat

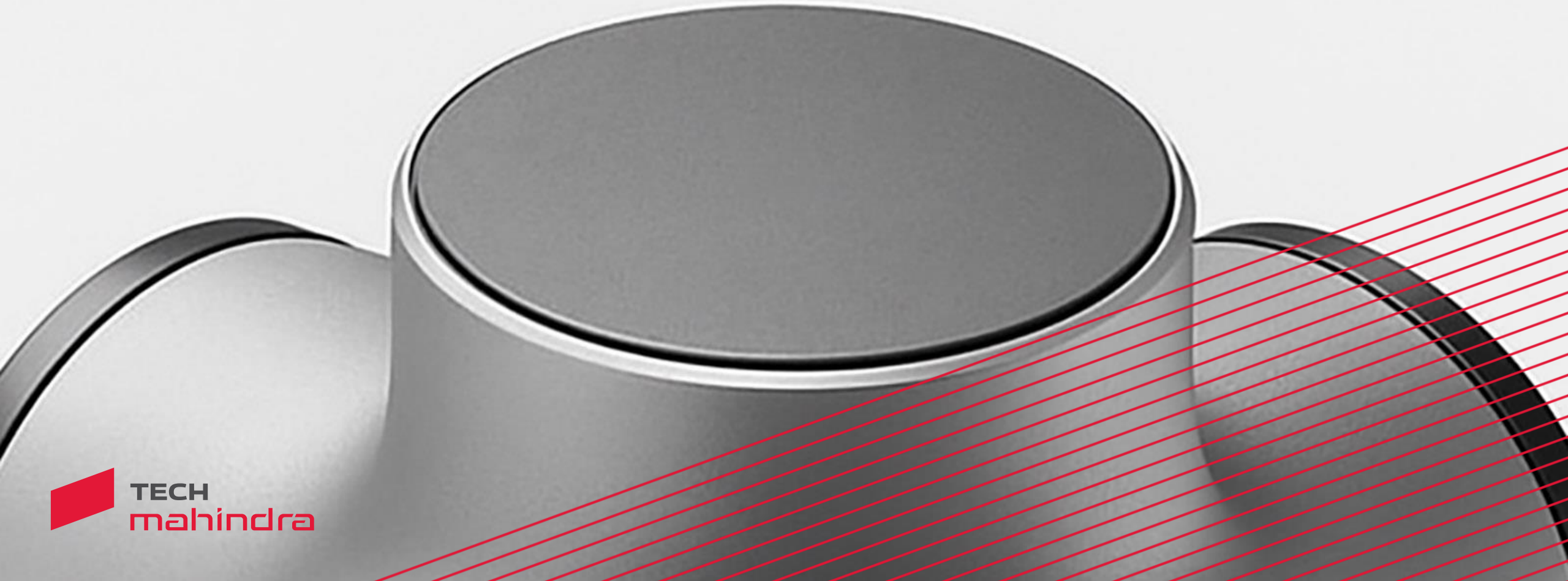
VIM: ERICSSON

Scope:
- *NFVI design review as per RedHat OpenStack standards and MVP deployment*
- *NFVi Platform Testing & Automation*
- *HW Inventory and capacity planning, design network capabilities for LTE and DB*

Drivers:
- *Automation using Robot and Selenium framework*
- *Testing and Automation expertise*

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Our panel discussion

Moderator



CHRIS BARRACLOUGH

CEO

STL Partners

Panellists



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For our Q&A...

Please submit any questions using the GoToWebinar control panel



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Thank you for joining!

All registrants will be receiving the link to the recording and slides shortly to watch back or to share with colleagues, plus a Q&A write-up in due course.

For any other questions, please contact:

- Joe Hurman, joe.hurman@stlpartners.com
- Chris Barraclough, chris.barraclough@stlpartners.com