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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the fiscal year ended March 31, 2025
or
☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from _____ to _____

001-40853
(Commission file number)

kyndryl

Kyndryl Holdings, Inc.
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	**86-1185492** (IRS employer identification number)
One Vanderbilt Avenue, 15th Floor **New York, New York** (Address of principal executive offices)	**10017** (Zip Code)

212-896-2098
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common stock, par value $0.01 per share	KD	New York Stock Exchange

Securities registered pursuant to section 12(g) of the Act: None.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒	Accelerated filer ☐
Non-accelerated filer ☐	Smaller reporting company ☐
	Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C.7262(b)) by the registered public accounting firm that prepared or issued its audit report ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The aggregate market value of the registrant's common stock held by non-affiliates of the registrant was $5.3 billion, based on the closing price on September 30, 2024, the last day of business of the registrant's most recently completed second fiscal quarter, as reported on the New York Stock Exchange.

The number of shares of the registrant's common stock, par value $0.01 per share, outstanding at May 23, 2025 was 229,944,566.

DOCUMENTS INCORPORATED BY REFERENCE: Portions of the registrant's Proxy Statement relating to the registrant's 2025 Annual Meeting of Stockholders are incorporated by reference into Part III of this Form 10-K.

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PART I

Item 1. Business.

Our Company

Kyndryl Holdings, Inc. ("we," "Kyndryl" or the "Company") is a leading provider of mission-critical enterprise technology services offering advisory, implementation and managed service capabilities to thousands of customers in more than 60 countries. As the world's largest IT infrastructure services provider, the Company designs, builds, manages and modernizes the complex information systems that the world depends on every day. We have a long track record of helping enterprises navigate major technological changes, particularly by enabling our customers to focus on the core aspects of their businesses during these shifts while trusting us with their most critical systems. Our purpose is to design, build and manage secure and responsive private, public and multi-cloud environments to serve our customers' needs and accelerate their digital transformations.

We provide engineering talent, operating solutions and insights derived from our knowledge and data around IT systems. This enables us to deliver advisory, implementation and managed services at scale across technology infrastructures that allow our customers to de-risk and realize the full value of their digital transformations. We do this while embracing new technologies and solutions and continually expanding our skills and capabilities, as we help advance the vital systems that power progress for our customers. We deliver technology services capabilities, insights and depth of expertise to modernize and manage IT environments based on our customers' unique needs. We offer services across domains such as cloud services, core enterprise and zCloud services, applications, data and artificial intelligence ("AI") services, digital workplace services, security and resiliency services and network and edge services as we continue to support our customers through technological change. Our services enable us to modernize and manage cloud and on-premises environments as "one" for our customers, enabling them to scale seamlessly.

To deliver these services, we rely on our team of tens of thousands of skilled practitioners. Since our large and diversified customer base operates in multiple industries and geographies, we utilize a flexible labor and delivery model with a balanced mix of global and local talent as needed to meet customer-specific needs, regulatory requirements and data protection and labor laws. Our employees leverage their deep engineering expertise and extensive experience operating complex and heterogeneous technology environments to drive service quality, intellectual property development and our long-term trusted customer relationships.

As described in "— Our Customers," we have many customer relationships that are decades long, as we provide high-quality, mission-critical services that are core to operations with customers that represent the backbones of their respective industries. These customers entrust us to deliver the services they need and to manage their complex environments so that they can achieve their business objectives.

We partner with a broad ecosystem, including a wide range of hyperscale cloud providers, system integrators, independent software vendors and technology vendors from startups to market leaders. This enables us to serve our customers with contemporary technology capabilities that best fit their needs and open new avenues for growth. This is all underpinned by our ability to integrate and operate mission-critical technology at scale using deep engineering expertise and intellectual property.

Our approach has enabled us to reach significant scale, with $15.1 billion in revenue in fiscal year 2025, which ended March 31, 2025. We are focused on driving revenue growth with sustainable margins by extending our leadership in the markets in which we operate while investing in our capabilities and expanding our high-value, next-generation services consistent with customer needs.

Kyndryl's Spin-off

In November 2021, our former parent company, International Business Machines Corporation ("IBM" or "former Parent") effected the spin-off (the "Separation" or the "Spin-off") of the infrastructure services unit of its Global Technology Services segment through the distribution of shares of Kyndryl's common stock to IBM stockholders. On November 3, 2021, the Separation was achieved through the former Parent's pro rata distribution of 80.1% of the shares

of common stock of Kyndryl to holders of the former Parent's common stock as of the close of business on the record date of October 25, 2021. Kyndryl's stock began trading as an independent company on November 4, 2021, and IBM disposed of its 19.9% retained interest in Kyndryl common stock in the year following the Spin-off.

Our Industry and Market Opportunity

We operate in an industry that provides services for the technology environments that power customers' businesses. These services span areas such as management of mission-critical systems across dedicated data centers and multiple clouds. As customers advance their digital transformations, they are looking for partners that understand their business objectives and unique digital journeys and have the skills to engineer and operate the IT environments to enable their transformations. Our long-standing position as an informed and trusted partner, with decades-long relationships and leading capabilities, provides us with the knowledge and expertise to help existing and new customers realize their future.

The markets for these services are large and dynamic. Growth in this market is driven by services that are aligned to customers' transformations, including public cloud managed services, data services, security services, intelligent automation services and managed services for edge environments.

Several trends underpin the growth of our market, including:

- ***Greater demand for digital transformation services.*** Companies continue to digitally transform to deliver better customer experiences and compete more effectively, which drives the need for services to support modernization of IT within the enterprise. This trend has expanded in recent years as organizations look to further their digital capabilities and new technologies proliferate. While customers seek to transform, skills availability often represents a challenge, with lack of skills often being an impediment to transformation of the IT environment.

- ***Ongoing migration to cloud.*** Companies continue to move workloads to the cloud, adopting new capabilities for flexibility, workload portability and management. Public cloud is an increasingly critical component of enterprise IT strategy, and hybrid and multi-cloud technologies offer flexibility to achieve security, performance and cost savings needed for critical workloads. These transitions are often complex, with companies frequently seeking assistance from service providers. The extension of cloud services to multiple environments in different locations has given rise to distributed cloud and migration of workloads to these infrastructures that have a greater fit for purpose.

- ***Rapid data growth.*** As economies have evolved digitally, significantly increasing data volume, management of this data has become much more complex. The challenge for many organizations is how to collect, harness and govern this data for insights, including by leveraging AI and generative AI, and realizing data readiness as a differentiator. Generating AI insights at scale requires establishing data foundations, architectures and large-language model operations frameworks. In order to leverage advanced capabilities such as AI, generative AI and machine learning, enterprises additionally need to address data privacy, compliance, security, multi-cloud data management and data governance across physical and virtual layers of the IT estate.

- ***Increasing need for secure systems.*** As technology environments become increasingly complex and online, remote and distributed work environments persist, cybersecurity will remain of paramount importance as threats proliferate. Breaches in security can have severe, lasting financial and reputational consequences on businesses. In response, businesses continue to build out their cybersecurity efforts, using service providers to augment their capabilities. Enterprises seek service providers that can deploy the expertise and resources needed to manage their growing cybersecurity needs with an efficient and comprehensive view of their IT environment.

- ***Accelerating pace of technological advancement.*** As companies adopt new technologies, such as AI and generative AI, for improved productivity, customer experience, operational agility, business performance and innovation, they often face challenges in complexity to integrate these new technologies with their existing IT estates. As a result, the required skills, integration burden and cost in end-to-end operational management often

increases. As generative AI is disrupting businesses at an accelerated pace, adopting new technologies requires a well-designed IT environment orchestrated to effectively realize business objectives.

Our Services

We provide advisory, implementation and managed services in and across a range of technology domains to help our customers manage and modernize enterprise IT environments in support of their business and transformation objectives. Our services are differentiated based on our expertise, quality of service, innovation, and intellectual property and data around IT patterns across customers in the following domains:

- ***Cloud Services:*** We design, build and provide managed services for our customers' multi-cloud environments. We apply a mix of skilled practitioners, intelligent automation and modern service management principles of Site Reliability Engineering, AI for IT operations ("AIOps"), Infrastructure as Code and DevOps. We help enterprises optimize their use of hyperscale cloud providers in a unified environment, seamlessly integrating services delivered by independent software vendors ("ISVs"), large public cloud providers, internal platforms and other technologies.

- ***Core Enterprise & zCloud Services:*** We establish and operate modern technology infrastructure on behalf of enterprise customers to enable their current and future growth and profitability objectives, whether they want to modernize their existing infrastructure, integrate their existing infrastructure with hyperscale cloud providers, or migrate to a new platform. We support a range of enterprise architectures, including mainframe environments, distributed computing, enterprise networks and storage environments.

- ***Application, Data & AI Services:*** We provide end-to-end enterprise data services, including data transformation, data architecture and management, data governance and compliance and data migration. We support chief digital officers, chief information officers ("CIOs") and chief technology officers ("CTOs") in governing the vast quantities of enterprise data across internal and external sources to drive their digital strategies, transactions and business objectives and to enable the implementation of AI and generative AI tools, while maintaining security, ethical standards and compliance with country-specific data protection regulations. We provide services to design, build, manage and automate the IT environments for enterprise applications as they migrate to the cloud. Our services help CIOs and CTOs unlock the full value of leading third-party enterprise resource planning systems (e.g., Oracle and SAP) and packaged applications through the use of AI and software-defined technologies.

- ***Digital Workplace Services:*** Our digital workplace services provide the technology infrastructure, mobility, security and access solutions to support a global workforce that is constantly evolving. Our services include enterprise mobility solutions that provide users with the ability to work seamlessly across environments and locations.

- ***Security & Resiliency Services:*** We provide comprehensive enterprise cybersecurity services for chief information security officers ("CISOs") and chief risk officers, including insights, protection, detection, response and recovery to support the security of our customers' hybrid IT estates, data and operations. Concurrently, we provide resiliency services that include a mix of business continuity planning and cloud-based disaster recovery capabilities (composed of experts, digital tools, automation and failover environments). These services allow our customers to operate without issue or disruption in response to attacks, outages, natural disasters and geopolitical events.

- ***Network & Edge Services:*** We provide network and edge services to help customers meet their technological and commercial requirements for connectivity and compute across their digital environments. Our strategy and assessment services help evaluate customers' network needs for their multi-cloud environments, while our network transformation and managed services allow customers to realize benefits of the latest software-defined network technologies and wireless technologies. We deliver these services with a proprietary framework and architecture coupled with proof of concepts to then implement and manage enterprise networks with the appropriate economics.

Our advisory and implementation services are branded as "Kyndryl Consult" and span all six of the practices described above. In the area of AI and generative AI, we both (i) apply AI and machine learning to deliver services through our Kyndryl Bridge operating platform and (ii) enable our customers to deploy AI and generative AI solutions through our data architecture, data governance, network, security, applications and AI services.

Our Competitive Strengths

We are the largest IT infrastructure services provider in the world. We are a recognized leader in many of the services we provide. We are known for our technology integration and modernization expertise – advising, designing, building and managing complex technology environments. Our global, high-quality service delivery is underpinned by experienced and highly-trained practitioners who deliver our capabilities to our customers on a daily basis. Importantly, we are committed to maintaining our culture of customer service excellence – especially in times of crisis, from pandemics to natural disasters, cyber-attacks and power outages. Given our unique capabilities, scale, intellectual property and engineering talent, we are positioned to partner with enterprises for their future across a range of technologies, use cases and business strategies to help them maximize the return on their technology investments and digital transformations.

Our competitive strengths stem from our intellectual property and data around IT patterns, our employees' experience and knowledge, our mission-critical expertise and our broad ecosystem of partners:

- ***We are a leader in technology services***. We are the largest provider of IT infrastructure services and are recognized by research analysts as a leader in key service areas. Through our delivery capabilities, AI that augments our people and underpins our Kyndryl Bridge operating platform, and scale, we provide mission-critical services to a diversified customer base. We possess significant experience in virtually all industries, gained through collaboration with customers over 30 years designing, building and managing operating environments for their IT systems. Our highly skilled workforce provides the expertise (e.g., approximately 40,000 hyperscale cloud provider certifications) to securely and reliably handle many of the most complex issues. We also have unique intellectual property applicable to IT environments, including our substantial patent portfolio.

- ***We consistently deliver performance and reliability for complex environments***. Our expert practitioners and talented engineers provide services through modern ways of working, such as Agile and DevSecOps. Together with our customers and partners, we co-create solutions to complex real-world business problems, leveraging Kyndryl Vital, our design-led co-creation experience. Additionally, our unique intellectual property and industry-leading technology platforms utilize contemporary approaches to IT operations to provide reliable and efficient solutions for each customer's operating model. These capabilities allow us to execute with secure and compliant operating and delivery models at scale, driving high-quality performance and customer satisfaction. We realize high-quality performance across thousands of service-level agreements and consistently achieve top-tier customer satisfaction and advocacy.

- ***We deliver insights at scale, supported by unique automation capabilities, end-to-end orchestration of processes and application of AI***. Our ability to deliver superior outcomes for customers is driven by our capacity to leverage our data around IT patterns and insights, derived from multiple technology environments across customer engagements. We apply machine learning, combined with our practitioner expertise, to derive unique insights used to service customers, enhance our offerings and produce our next-generation services. For example, we are a recognized leader in the use of automation and operational AI in the delivery of our services, executing more than 180 million automated actions per month in the IT environments we manage, which enables greater quality and efficiency for us and our customers. We leverage our operational AI approach and set of technologies, along with intellectual property that we apply and continually evolve to develop predictive actions to prevent issues before they arise.

- ***We are a recognized leader in managed services for cloud and on-premises environments and services such as security and resiliency.*** We offer a range of high-value capabilities including cloud services and security and resiliency services, providing us with a sustainable competitive advantage when helping customers transform their technology environments. Our multi-cloud management capabilities are differentiated by our ability to

deliver an integrated view of our customers' diverse technology environments and to provide our services and solutions digitally. We offer integrated services between the cloud and on-premises environments and manage the world's largest mainframe estate.

- ***We offer an integrated ecosystem to help customers adopt and run increasingly heterogeneous sets of technologies***. As customers pursue multiple cloud-based technology partners, applications and capabilities, integration is increasingly critical for customers to manage and orchestrate the technology environments required to run their businesses and achieve their broader objectives. We provide holistic services across thousands of diverse technologies, delivering end-to-end integration across public and private / on-premises cloud platforms and other full-stack technology solutions. Our robust ecosystem of strategic global alliances and technology partners, including large public cloud providers, independent software vendors and other players in the technology stack, allows us to provide industry-leading technologies and capabilities for our customers.

Our Strategies

Our strategy is centered on our ability to build and enrich trusted relationships with customers and technology partners, differentiating Kyndryl through our proven ability to create and deploy scale-derived intellectual property, provide mission-critical expertise across industries and partner with a broad ecosystem of leading technology providers for contemporary capabilities that best suit customers' needs. We regularly introduce new capabilities with these technology providers, including strategic relationships with Amazon Web Services, Google Cloud and Microsoft announced since our Spin-off. We have a strong and long-standing foundation developed by governing and managing complex technology environments, including a range of third-party technologies (e.g., Cisco, Dell, Dynatrace, HPE, NVIDIA, Oracle, Palo Alto Networks, Red Hat, Rubrik, SAP, ServiceNow and VMware). Through these alliances, we continue to develop more services to expand the role we play with existing customers and to access new customers and markets.

We have a long track record of running customers' technology environments, enabling them to focus on other aspects of their businesses. Given the nature of the work we do, we have a unique perspective on the operating paradigms that enable the high-quality technology environments which our customers have come to rely on for their most critical systems. This position enables us to meet customers where they are in their unique digital transformations, work alongside our customers to take them where they want to be and in turn enable them to realize the full, at-scale value of that progression. Underpinning all of this are our intellectual property, mission-critical expertise across industries and a broad ecosystem of technology alliances.

Our focus is centered on the following strategic tenets:

- ***Scale insights and intellectual property.*** We are investing to position ourselves at the forefront of developing and innovating the services and operating paradigms for the evolution and integration of mission-critical technology, further expanding our existing intellectual property in differentiated areas. Our depth of experience implementing and operating complex architectures across technology sets has yielded valuable experience and intellectual property. We have approximately 3,000 patents that relate to various areas of running complex technology environments, including patents related to multi-cloud management, orchestration, integrated monitoring, issue triage and resolution and other areas that enable quality of service. Our mission-critical expertise across all industries, augmented by our automation platforms that draw on our IP and data, is a key differentiator in managing complex technology environments.

- ***Diverse ecosystem.*** As an independent entity, we have embraced a broad ecosystem of strategic partnerships with a wider set of technology and services companies. We are investing in an ecosystem of technology providers and corresponding skill-sets that are increasingly relevant as enterprises digitize and transform their business models, building on our existing base of certifications across many market-leading technologies. In parallel, we are extending our operating, governance and compliance models to this broader set of technologies to integrate and provide end-to-end capabilities for our customers as they digitize and evolve their environments.

- ***Digital service models.*** We are increasingly serving customers through our Kyndryl Bridge platform – an AI-powered open integration platform that leverages Kyndryl's core strengths, data-driven insights and expertise, to create an uninterrupted path between digital business and the technology that delivers it. We couple our technology governance and capabilities from our ecosystem partners for ease-of-use and scalability, tailored to the needs of specific customer segments.

To execute these strategies, our operating model increasingly reflects that of a flat, fast and focused services company, centered around our customers' success. We are focused on building and maintaining world-class teams, developing aligned intellectual property and automation, and leveraging our ecosystem of technology alliance partners.

To accelerate our return to profitable growth, we have aggressively executed on our "three-A" initiatives – Alliances, Advanced Delivery and Accounts. Our implementation of these strategic priorities has enhanced the services we provide to our customers and has made significant positive contributions to our financial performance. Our global teams are leveraging our partnerships with leading technology vendors, further strengthening the automation we deploy in delivering our services, and addressing elements of our business with substandard margins as follows:

- ***Alliances initiative*** – Driving signings, certifications and revenues with our new ecosystem partners and capabilities. We leverage our relationships with key hyperscale cloud providers and other leading technology vendors to expand our cloud and other offerings in the market, and the range of technology solutions we can offer to, and implement for, our customers. We maintain business alliances with Amazon Web Services, Cisco, Dell, Dynatrace, Google Cloud, HPE, Microsoft, NVIDIA, Oracle, Palo Alto Networks, Red Hat, Rubrik, SAP, ServiceNow and VMware, among others. We continue to expand the cloud-related capabilities we offer to customers and to hold tens of thousands of hyperscale cloud provider certifications.

- ***Advanced Delivery initiative*** – Transforming service delivery through upskilling and automation. Our expanded use of Kyndryl Bridge, automation and other technology tools allows us to further strengthen the quality of services we deliver to our customers, drive efficiency in our operations, and redeploy professionals in our organization to serve new revenue streams and backfill attrition. Our increased use of automation and AI within our delivery operations helps to reduce costs across the entire organization.

- ***Accounts initiative*** – Addressing elements of our business with substandard margins. We have been working to transform the profitability of certain revenue streams that represent a meaningful portion of our business. For instance, we are frequently expanding the scope of customer relationships by adding higher-value services and leveraging our ecosystem partners' capabilities. When necessary, we have reduced scope by removing, or not renewing, unprofitable elements of a contract. We are also able to reduce costs by applying our Advanced Delivery tools and processes to replace labor-intensive and/or customized services with automated and/or more standardized solutions. And when managed services contracts with substandard margins are renegotiated and renewed, we seek to adjust pricing and other terms to enhance our margins.

As we evolve as an independent company, we intend to increase our emphasis on top-line revenue growth, both by expanding the scope of services we provide to existing customers and by winning new customers. In addition, we will continue executing on our three-A's initiatives, growing Kyndryl Consult and optimizing our costs and expenses throughout our business, from service delivery to corporate functions. We will continue to focus on these initiatives to drive profitable growth and enable us to deliver more value to customers and stockholders.

In September 2024, Kyndryl published its latest Corporate Citizenship Report outlining the actions and plans that align our corporate citizenship strategy with our mission. This includes achieving net zero greenhouse gas emissions by 2040 and a 50% reduction in global emissions including our value chain by 2030 aligned with the Science Based Targets initiative.

Beyond our environmental commitments, Kyndryl is focused on building an engaged workforce culture. Our approach to our workplace consists of empowering employees to advance their careers through ongoing training and upskilling. Kyndryl has published its human rights and modern slavery statement and launched the Kyndryl Foundation, which delivers philanthropic grants for community development programs.

With respect to governance matters, Kyndryl also leverages industry best practices to govern its quality management system, processes and tools to enable operations to meet the standards of compliance and responsible business practices that clients and partners expect. We also maintain a Code of Conduct for directors, executive officers and employees which summarizes our policies addressing anti-harassment, anti-discrimination, retaliation prevention, physical security and cybersecurity, confidentiality and data privacy, and prevention of fraud, waste and abuse.

Our Customers

Our customer relationships across a broad range of industries demonstrate the deep level of trust that we have earned and the role we play as a partner that provides technical expertise, insight and intellectual property to solve customer challenges. We are the trusted advisor and partner to thousands of customers worldwide, in technology-intensive and often highly regulated environments, managing mission-critical technology environments across a wide range of industries.

- Approximately 44 percent of our revenue is derived from companies in the financial services industry, where we serve hundreds of global, multinational and regional banks, insurance companies, mutual fund complexes, credit card and transaction processors and providers of other financial services.
- 15 percent of our revenue is generated from the industrial sector, which includes some of the largest automotive manufacturers in the world.
- 13 percent of our revenue is generated from healthcare companies and the public sector.
- 13 percent of our revenue is generated from technology, media and telecom companies.
- 15 percent of our revenue is from retail, travel and other companies.

Within these sectors, our revenues are diversified across a broad set of customers. In fiscal year 2025, our five largest customers accounted for approximately 8% of our revenue. The U.S. federal government accounted for less than one-half of one percent of our revenue.

As companies look to modernize their technology estates, they often face a key impediment because of the skills and expertise needed to realize their transformations. This, in part, is brought on by the increasing complexity of enterprise environments, the incorporation of new technologies and the deployment of different operating models. While many companies have strengthened their technology teams, they have also encountered difficulties in sourcing the breadth of expertise needed for their environments and leveraged service providers to address their needs. Companies will benefit from selecting service providers that have greater insight into their environments and needs, which advantages partners like Kyndryl who have industry-leading scale and long-standing customer relationships.

Sales and Marketing

Our customer engagement and brand positioning are focused on deepening our existing customer relationships, attracting and winning new customers and creating an ecosystem built on go-to-market relationships with leading cloud and other technology providers, advisors and integrators to offer best-in-class advisory, implementation and managed services tailored to each existing and new customer's environment and requirements.

Customer-centric account approach. We have dedicated account coverage teams within our global operating structure. The teams leverage our intellectual capital and tools underpinned by insights and proven practices derived from operating at scale. Senior account leaders orchestrate the teams and have end-to-end accountability from sale to delivery for customers. They tailor the full suite of our services to customers' needs to deliver value and business outcomes across a wide range of technology environments. Account leaders are supported by dedicated, multi-disciplinary technical sales, delivery and consulting teams, as well as by shared services teams, to support an effective and efficient engagement. This account coverage model ensures consistent and reliable delivery of services for our existing relationships over the lifetime of current and renewal contracts. In addition, the model supports the potential expansion of existing relationships based on our deep industry perspective and expertise and knowledge of customers'

unique needs. Finally, this account-based model seeks to build and expand existing relationships with line-of-business buyers, as they have become critical decision makers working alongside our customers.

Customer growth and new customer acquisition. In line with our customer-centric approach, we are focused on co-creating and innovating with customers to advance and deepen our relationships. We leverage our broad base of expertise, capabilities and partners to prototype, test and develop innovative solutions across various approaches and technologies. Additionally, we offer Kyndryl Consult capabilities in advisory, implementation and transformation services to help customers enhance and evolve their technology environments. We deploy our talent, thought leadership, proven practices, intellectual capital and partnership ecosystem as part of our project engagements to mature them into longer-tail managed services opportunities. In addition, we attract and develop new customers across the globe via account-based marketing, insights derived from operating at scale and direct sales teams with years of sector-specific experience and proven practices to generate unique insights for customers. As we gain new customers, we apply our account coverage model to expand our relationships and footprint over time.

Partnership and alliance ecosystem. We are continuing to enhance and develop strategic partnerships with companies in the ecosystems most relevant to our customers' digital transformations. This includes building new routes to market across these ecosystems to serve as a multiplier, enabling us to expand business via partners such as public cloud providers, ISVs, technology providers, system integrators, business consulting firms and business services providers. These relationships bring value to our customers through broader access to best-in-class solutions that are tailored for their unique technology environments and digital journeys. We have several key partnerships, including with Amazon Web Services, Cisco, Dell, Dynatrace, Google Cloud, HPE, Microsoft, NVIDIA, Oracle, Palo Alto Networks, Red Hat, Rubrik, SAP, ServiceNow and VMware that accelerate broader market participation, joint solution development and investment in skills and certification enhancements for Kyndryl. We have established dedicated teams to support our key alliance partners and will continue to co-create and co-market with them to deliver value to our mutual customers, driving differentiation in the market with industry-leading technology and Kyndryl services.

Our Competition

We compete in a market for technology services along with many other providers, ranging from small, highly specialized companies that serve a limited number of customers to large, multi-service enterprises with many clients. These service providers include incumbents that have expanded their offerings to migration and management of cloud-based environments; companies that utilize labor-based models and leverage talent pools primarily in lower-cost countries that have grown to offer a broad range of services with a worldwide presence; and advisory-focused system integrators specializing in bringing together disparate technology environments so that they function as one. Many of these companies offer a mix of advisory, implementation and managed services across infrastructure, application and business processes.

The basis of competition involves multiple factors, with key elements including quality of service, technical skills and capabilities, industry knowledge and experience, financial value, ability to innovate, intellectual property and methods, contracting flexibility and speed of execution. Long-standing partnerships and knowledge of the customers' technology environment often enable service providers to better address requirements and future needs. Our decades-long collaboration with customers provides us with the insights to realize distinctive performance that supports their digital transformation. We deliver differentiated value by providing intellectual property derived from insights at scale, deploying mission-critical expertise and leveraging a broad ecosystem – while building and strengthening partnerships to enhance the customer experience.

We position ourselves uniquely, leveraging a core strength in governance and management of complex IT infrastructure environments, delivered through a global footprint. Our services support customers' digital transformations, as we help accelerate their journeys by providing instrumented and engineered technology environments. We offer choice with consistency through an operating paradigm and management model built from our experiences with complex technologies.

Intellectual Property

We are focused on developing leading-edge ideas and technologies and see innovation as a source of competitive advantage. We remain committed to innovation and the development and maintenance of a focused patent portfolio that is related to our business. A key pillar of our strategy is continuing to invest in knowledge and intellectual property to support extending our services to a broader ecosystem of technology providers, customer challenges and solutions. Our decades of experiences working with our customers has generated operational insights, creating intellectual property that we leverage for the benefit of our customers and deploy at scale. We rely on intellectual property protections in the countries in which we operate, along with contractual restrictions, to establish and protect our offerings and services and other applicable rights. In addition, we license third-party software along with other technologies that are used in the provision of or incorporated into some elements of our services. We possess a significant intellectual property portfolio (including automations, AI models, reference architectures and thought leadership materials), which we believe is important to our success. However, we believe our business as a whole is not materially dependent on any particular intellectual property right or any particular group of patents, trademarks, copyrights or licenses.

Additionally, we own or have rights to various trademarks, logos, service marks and trade names that are used in the operation of our business. We also own or have the rights to copyrights that protect the content of our products and other proprietary materials.

Human Capital Resources

Employees

As of March 31, 2025, we had approximately 73,000 employees in more than 60 countries. Approximately 90% of our employees work outside the U.S., with workforce hubs in India, Poland, Brazil, Japan, Czechia and Hungary.

Our people advance the vital systems that power human progress and are at the center of designing, building and managing the technology environments that the world depends on every day. Our global workforce is highly skilled, reflective of the work we do for our customers' digital transformations and in support of their mission-critical operations. Kyndryl professionals bring deep industry and technical expertise along with a passion for continuous learning. Our employees, whom we call Kyndryls, have earned certifications through our learning platform and alliance partners, which provide access to curriculums that span strategic skills, cloud, AI, analytics, design thinking, quantum computing and security.

We support various ways of working and offer accelerated career progression opportunities. We have invested, and will continue to invest, in our teams to be at the heart of technological change for our customers. Our objective is to be both a partner and employer of choice.

Talent, Culture and Employee Engagement

We have built a differentiated, services-based culture – that we call the Kyndryl Way – to attract, retain, develop and engage a highly skilled workforce. At Kyndryl, we aim to be:

- Restless to power the future; eager to learn and innovate
- Empathetic role models; serving with trust and transparency
- Focused on shared success to achieve both business results and key human capital goals – driving a deep analytic understanding of people, technology and customer challenges
- Fast, agile change leaders with courage to be bold and judgment to manage risk
- Dedicated to building empowered, engaged and accountable teams

Our business is centered around our people, and our talent strategy revolves around our ability to best serve our customers through ongoing investment in talent and skill development. We attract, develop and retain talent in a competitive and dynamic environment. We are focused on optimizing the employee experience at Kyndryl through:

- Attracting: Elevating the Kyndryl brand and proactively sourcing talent both internally and externally so that we have the right capabilities, at the right time, in the right place
- Developing: Providing employees with transparency to understand the skills, capabilities and experiences essential to their growth and their progression over their career by providing access to resources specifically designed to advance market-valued skills and competencies
- Retaining: Fostering employee engagement by communicating our strategy and building our Kyndryl culture; establishing programs that are focused on rewarding value creation; recognizing performance; responding to feedback collected through regular employee engagement surveys; and driving accountability balanced with workplace flexibility, well-being, continuous learning and an engaged environment

We are committed to building the technical careers of the future and have made investments in training and skills to enable our people to be relevant, experienced and technically positioned to serve our customers on their most complex challenges. Our employee base adds and maintains various technical certifications and accreditations through consistent investment in skill development around emerging technologies and key areas for growth.

Health, Safety and Well-Being

Protecting the health, safety and well-being of our employees is a top priority. We established a global, comprehensive well-being strategy designed to provide programs and benefits that support our employees' physical, mental, social and financial well-being. We offer comprehensive market-competitive rewards and benefits programs including health benefits, mental health support and employee assistance plans, retirement savings benefits, paid time off and recognition programs, among others. In addition, our experienced Health and Safety team, comprised of medical doctors, nurses, industrial hygiene, safety and workforce health experts, implemented a health and safety management system that monitors our locations for compliance with all local health and safety regulations, minimizes workplace health and safety risks, and provides for safe and healthy workplaces so our employees can do their best work.

Available Information

We are required to file annual, quarterly and current reports, proxy statements and other information with the U.S. Securities and Exchange Commission ("SEC"). The SEC maintains a website that contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC at http://www.sec.gov. The Company's Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, proxy statements and amendments to those documents filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended ("Exchange Act"), are also available free of charge on the Company's internet website at www.kyndryl.com as soon as reasonably practicable after those documents are electronically filed with or furnished to the SEC.

We routinely post on or make accessible through our corporate website at www.kyndryl.com and Investor Relations website at https://investors.kyndryl.com information that may be material or of interest to our investors, including news and materials regarding our financial performance, business developments, investor events and other important information regarding the Company. You may automatically receive email alerts and other information about the Company when you enroll your email address by visiting the "Investor Email Alerts" section under the "Resources" section at https://investors.kyndryl.com. We encourage investors, media, our customers, consumers, business partners and others interested in our Company to review the information we provide through these channels. The information contained on the websites referenced above is not, and shall not be deemed to be, incorporated into this filing or any of our other filings with the SEC.

Executive Officers of the Registrant

Our executive officers as of the date hereof are as follows:

Martin Schroeter. Mr. Schroeter, 60, was appointed our Chief Executive Officer and Chairman of the Board in 2021. Previously, Mr. Schroeter served in a variety of business line and finance executive positions at IBM, including Senior Vice President of Global Markets from 2018 until 2020, responsible for IBM's global sales, customer relationships and satisfaction and worldwide geographic operations and overseeing IBM's marketing and communication functions and building IBM's brand and reputation globally, and Senior Vice President and Chief Financial Officer from 2014 until 2017, leading IBM's finance function. Earlier in his career, Mr. Schroeter served as General Manager of IBM global financing, managing a total asset base in excess of $37 billion, and had served numerous roles in Japan, the United States and Australia. Mr. Schroeter received his MBA from Carnegie Mellon University and his undergraduate degree from Temple University.

David Wyshner. Mr. Wyshner, 58, was appointed our Chief Financial Officer in 2021. From 2020 until his appointment as our Chief Financial Officer, Mr. Wyshner served as the Chief Financial Officer at XPO Logistics, Inc., where he led all financial functions for the global transportation and contract logistics company. Prior to that, Mr. Wyshner served as the Chief Financial Officer at Wyndham Hotels & Resorts, Inc. from 2018 to 2019, and as its senior advisor from 2019 to 2020. He served as Executive Vice President and Chief Financial Officer of Wyndham Worldwide Corporation, from which Wyndham Hotels was spun-off, from 2017 to 2018. From 2006 to 2017, Mr. Wyshner served as the Chief Financial Officer of Avis Budget Group and also served as Avis Budget Group's president from 2016 to 2017. Mr. Wyshner received his MBA from the Wharton School of the University of Pennsylvania and his BA in applied mathematics from Yale University.

Elly Keinan. Mr. Keinan, 60, was appointed our Group President in 2021. Since 2020, Mr. Keinan has served as a venture partner at Pitango Venture Capital, focusing on scaling the success of growth stage technology companies, and as an advisor to Sumitomo Corporation. Prior to that, Mr. Keinan served a variety of executive roles at IBM from 1987 to 2020, including General Manager of IBM North America and Chairman of IBM Japan, and held top leadership roles in Latin America and Europe. From 2021 to August 2024, Mr. Keinan served on the board of Ottopia. Mr. Keinan currently serves on the boards of Cellebrite and United Way of New York City. Mr. Keinan received his MBA from the University of Miami Herbert Business School and his Bachelor of Science in Computer Science and Electrical Engineering from Rensselaer Polytechnic Institute.

Maryjo Charbonnier. Ms. Charbonnier, 55, was appointed our Chief Human Resources Officer in 2021. From 2015 until her appointment, Ms. Charbonnier served as the Chief Human Resources Officer at Wolters Kluwer, where she was responsible for the design and implementation of all human resources strategies, policies and processes. Prior to that, Ms. Charbonnier served as the Chief Human Resources Officer at Broadridge Financial Solutions from 2008 to 2014. From 1995 to 2008, Ms. Charbonnier was an HR executive in a variety of leadership roles at PepsiCo, including Vice President for Talent Sustainability for PepsiCo Foods Americas. Ms. Charbonnier received her MBA from Southern Methodist University and her undergraduate degree from Catholic University.

Edward Sebold. Mr. Sebold, 60, was appointed our General Counsel and Secretary in 2021. From 2012 until his appointment as our General Counsel, Mr. Sebold served as Assistant General Counsel at IBM, leading several global legal functions at IBM, including teams that worked with services, IBM's Watson Health, litigation and mergers and acquisitions. Prior to joining IBM in 2012, Mr. Sebold was a partner at Jones Day in the firm's Cleveland and Houston offices. Mr. Sebold serves on the board of the Pro Bono Partnership. Mr. Sebold received his JD from the University of Michigan and his Bachelor of Arts in economics from John Carroll University.

Vineet Khurana. Mr. Khurana, 52, was appointed our Corporate Controller in 2021. Since 2020, Mr. Khurana had been serving as Chief Financial Officer of IBM's Global Business Services unit. Prior to assuming this role, Mr. Khurana was the Chief Financial Officer of IBM Europe from 2018 through 2020 and the Vice President and Chief Financial Officer of IBM United Kingdom and Ireland from 2016 until 2018. Earlier in his IBM tenure, Mr. Khurana held roles of increasing responsibility spanning IBM's financial strategy and IBM's Global Financing division.

Mr. Khurana received his MBA from University of Warwick, United Kingdom and his undergraduate degree in Chemical Engineering from Manipal Institute of Technology, India.

Item 1A. Risk Factors.

Our operations and financial results are subject to various risks and uncertainties, including but not limited to those described below, that could adversely affect our business, reputation, financial condition, results of operations, cash flows and the trading price of our common stock.

Risks Relating to Our Business

An inability to attract new customers, retain existing customers and sell additional services to customers could adversely impact our revenue and results of operations.

Our ability to maintain or increase our revenues and profit may be impacted by a number of factors, including our ability to attract new customers, retain existing customers and sell additional, comparable or, in the case of accounts with substandard margins, services with greater gross margins to our customers. We may incur higher customer acquisition or retention costs as we seek to grow our customer base and expand our markets. Moreover, to the extent we are unable to retain and sell additional services to existing customers, including as part of our initiative to address existing accounts that have substandard margins, our revenue and results of operations may decrease. Our customer contracts typically have an average duration of over five years and, unless terminated, may be renewed or automatically extended on a month-to-month basis. Our customers have no obligation to renew their services after their initial contract periods expire, and any termination fees associated with an early termination may not be sufficient to recover our costs associated with such contracts. The loss of business from any of our major customers, whether by the cancellation of existing contracts, the failure to obtain new business or lower overall demand for our services, could adversely impact our revenue and results of operations.

We may not meet our growth and productivity objectives and maintain our capital allocation strategy.

Our goals for profitability and growth rely upon a number of assumptions, including our ability to make successful investments to grow and further develop our business and simplify our operations. The risks and challenges we face in connection with our strategies include expanding our professional services capability, expanding in areas where we currently have a small presence and ensuring that our services remain competitive in a rapidly changing technological environment. We may invest significantly in key strategic areas to drive long-term revenue growth and share gains. These investments may adversely affect our near-term revenue growth and results of operations, and we cannot guarantee that they will ultimately be successful or produce any or all of the long-term benefits that we expect. Additionally, emerging business and delivery models may unfavorably impact demand and profitability for our solutions or services. If we are unable to find, and maintain relationships with, partners to develop cutting-edge innovations in a highly competitive and rapidly evolving environment or are unable to implement and integrate such innovations with sufficient speed and versatility, we could fail in our ongoing efforts to maintain and increase our revenue and profit margins, achieve and sustain our targeted growth rates or improve our market share, operating margins and competitive position generally or in specific markets or services.

Our ability and decisions to return capital to shareholders depend on a variety of factors, including our ability to maintain and increase operating margins, cash flow generated from operations, our cash and investment balances, our net income and our overall liquidity position, as well as our debt balance, potential alternative uses of cash and anticipated future economic conditions and financial results. Failure to carry out our capital allocation strategy may adversely impact shareholders' perception of our business and the trading price of our common stock.

Competition in the markets in which we operate may adversely impact our results of operations.

Our competitors include incumbents that have expanded their offerings to migration and management of cloud-based environments; companies that use labor-based models and leverage talent pools primarily in lower-cost countries that have grown to offer a broad range of services with a worldwide presence; and advisory-focused system integrators

specializing in bringing together disparate technology environments. Our competitiveness is based on factors including quality of services, technical skills and capabilities, industry knowledge and experience, financial value, ability to innovate and respond to rapid and continuing changes in technology to serve the evolving needs of our customers, intellectual property and methods, contracting flexibility, and speed of execution. If we are unable to compete based on such factors, our results of operations and business prospects could be harmed.

This competition may decrease our revenue and place downward pressure on operating margins in our industry, particularly for contract extensions or renewals. As a result, we may not be able to maintain our current revenue and operating margins, or achieve favorable operating margins, for contracts extended or renewed in the future. If we fail to create and sustain an efficient and effective cost structure that scales with revenues during periods with declining revenues, our margins and results of operations may be adversely affected.

Companies with whom we have alliances in certain areas are or may become competitors in other areas. In addition, companies with whom we have alliances also may acquire or form alliances with competitors, which could reduce their business with us. If we are unable to effectively manage these complicated relationships with alliance peers, our business and results of operations could be adversely affected.

Our business could be adversely impacted if we do not successfully manage and/or develop our relationships with critical suppliers and partners.

Our business employs a wide variety of products and services from a number of suppliers and partners around the world. Our relationships with them are critical to our ability to provide many of our services and solutions, and our relationships with various alliance partners allow us to enter new markets and take advantage of existing ecosystems built and sustained by our alliance partners. There can be no assurance that we will be able to develop and maintain such relationships, that the products and services will be available on the expected timelines or for anticipated prices, or that the financial terms of our relationships will remain affordable. Among other things, such partners may in the future decide to compete with us, form exclusive or more favorable arrangements with our competitors or otherwise reduce our access to their products or services. If we are not able to maintain, or realize the expected benefits from, our relationships for any reason, we may be less competitive, and our ability to offer attractive services and solutions to address the needs and demands of our customers and our results of operations could be adversely affected. Any performance failure on the part of our critical suppliers or alliance partners, or the discontinuance by such suppliers or alliance partners of technologies or services that we have relied on them to provide for our customers, could impact our performance or require us to engage alternative third parties to perform the services at our cost or to perform them ourselves, any of which could deprive us of potential revenue or adversely impact our profitability. Further, changes in the business condition (financial or otherwise) of our suppliers or partners could subject us to losses and affect our ability to bring our offerings to market. Additionally, the failure of our suppliers and partners to deliver products and services in sufficient quantities, in a timely manner, and in compliance with all applicable laws and regulations could adversely affect our business. Any defective products or inadequate services received from suppliers or partners could reduce the reliability of our services and harm our reputation.

If we are not able to continue addressing and adapting to technological developments and trends that serve customer demands or drive efficiency, our growth plans, market share and financial performance could be negatively affected.

Our growth strategy depends in part on our ability to continue to develop and implement services and solutions that anticipate and respond to rapid and continuing changes in technology, offerings and industry standards to serve the evolving demands and needs of our customers. If we fail to respond and adapt successfully to technology developments and trends and customer demands in a timely or cost-effective manner or fail to effectively leverage new technologies into our services and solutions, or if our competitors or other third parties respond to such challenges more quickly or successfully than we do, the demand for our services and solutions may diminish. We have made and expect to continue to make investments in new technologies, including in AI and generative AI. We sometimes dedicate a significant amount of resources to our development efforts before knowing to what extent our investments will result in services and solutions the market will accept. The adoption and use of new technologies that are still in their early stages, such as AI and generative AI capabilities, involve significant risks and uncertainties. In addition, investments in technology systems, capabilities, talent and resources may not deliver the benefits or perform as expected, may be replaced or

become obsolete more quickly than expected, or may reduce or replace some of our current services and offerings, which could result in operational difficulties or additional costs. If we do not sufficiently invest in new technologies and adapt to industry developments, if we are unable to commercialize them in our services and solutions, evolve, expand and scale them effectively with sufficient speed and versatility, or if we do not make the right strategic investments to respond to these developments and successfully drive innovation, our results of operations and our ability to develop and maintain a competitive advantage and to execute on our growth strategy could be negatively affected.

If we are unable to attract and retain key personnel and other skilled employees, our business could be harmed.

If any of our key employees were to leave, we could face substantial difficulty in hiring qualified successors and could experience a loss in productivity while any successor obtains the necessary training and experience. Although we have arrangements with some of our executive officers designed to promote retention, our employment relationships are generally at-will, and key employees may leave us. We intend to continue to hire additional highly qualified personnel but may not be able to attract, assimilate or retain similarly qualified personnel in the future.

In addition, much of our future success depends on the continued service, availability and integrity of skilled employees, including technical, sales and staff resources. Skilled and experienced personnel in the areas where we compete often are in high demand, and competition for their talents is often intense. Our inability to attract and retain skilled employees could intensify the adverse impact of a shortage of critical skills necessary to serve our customers, keep pace with the rapid and continuous technological changes in our industry and further our growth strategy, including talent trained in AI, machine learning, software engineering and other market-leading skills and capabilities in new technologies. Changing demographics and labor workforce trends also may result in a shortage of or insufficient knowledge and skills. Further, as global opportunities and industry demand shift, realignment, training and scaling of skilled resources may not be sufficiently rapid or successful. Any failure to attract, integrate, motivate and retain these employees could harm our business. If we are unable to hire or deploy employees with the needed skillsets or at scale to meet customer demand or if we are unable to adequately equip our employees with the skills needed, our business could be adversely affected and we may not be able to meet key objectives to further our growth strategy. Alternatively, from time to time, as a result of technological developments or changes in demand, we may have more people than we need in certain skill sets, geographies or compensation levels. In such cases, we have, and may in the future, rebalance our workforce, including reducing the rate of new hires and increasing involuntary terminations, which actions could negatively impact employee engagement and retention.

Due to our global presence, our business and operations could be adversely impacted by economic, geopolitical, public health and other conditions.

We are a globally integrated company doing business worldwide. Our results of operations have been and could in the future be affected by unfavorable, volatile or uncertain economic and geopolitical conditions and by macroeconomic changes, including recessions, inflation, currency fluctuations between the U.S. dollar and non-U.S. currencies, capital controls and adverse changes in trade relationships among those countries. Further, international trade disputes could create uncertainty. Tariffs, international trade sanctions and other controls on imports or exports resulting from these disputes could affect our ability to move goods and services across borders, or could impose added costs to those activities. Measures taken to date by us to mitigate these impacts could be made less effective should trade sanctions or tariffs change. In addition, any widespread outbreak of an illness, pandemic or other local or global health issue, natural disasters including those that could be related to climate change impacts, or uncertain political climates, international hostilities, geopolitical conflict or any terrorist activities, could adversely affect customer demand, our operations and supply chain, and our ability to source and deliver solutions to our customers. In the current macroeconomic environment, customers continue to balance short-term challenges and opportunities for transformation. While some customers have accelerated their digital transformation and increased their expenditures, the short-term priorities of other customers continue to be focused on operational stability, flexibility and cash preservation, and as such, we may experience some disruptions in transactional performance.

Damage to our reputation could adversely impact our business.

Our reputation may be susceptible to damage by events such as significant disputes with customers, internal control deficiencies, delivery failures, cybersecurity incidents, government investigations or legal proceedings or actions of current or former customers, directors, employees, competitors, vendors, alliance partners or joint venture partners. If we fail to gain a positive reputation as leader in our field, or if our brand image is tarnished by negative perceptions, our ability to attract and retain customers and talent could be impacted.

If we are unable to accurately estimate the cost of services and the timeline for completion of contracts, the profitability of our contracts may be materially and adversely affected.

Our commercial contracts are typically awarded on a competitive or "sole-source" basis. Our bids are priced upon, among other items, the expected cost to provide the services. We are dependent on our internal forecasts and predictions about our projects and the marketplace, and, to generate an acceptable return on our investment in these contracts, we must be able to accurately estimate our costs to provide the services required by the contract and to complete the contracts in a timely manner. We face a number of risks when pricing our contracts, as many of our projects entail the coordination of operations and workforces in multiple locations and utilizing workforces with different skill sets and competencies across geographically diverse service locations. In addition, revenues from a small portion of our contracts are recognized using the cost-to-cost method, which requires estimates of total costs at completion, fees earned on the contract, or both. This estimation process, particularly due to the technical nature of the services being performed and the long-term nature of certain contracts, is complex and involves significant judgment. Adjustments to original estimates are often required as work progresses, experience is gained and additional information becomes known, even though the scope of the work required under the contract may not change. Moreover, as inflation can increase both our labor and non-labor input costs, the profitability of our contracts could be negatively impacted if we are unable to adjust our pricing or costs to take inflation into account. Furthermore, if we fail to accurately estimate the effort, costs or time required to complete a contract, the profitability of our contracts may be materially and adversely affected. If we are not able to increase our margins as anticipated, we may not be able to meet key objectives to further our growth strategy.

Service delivery issues could adversely impact our business and operating results.

We have customer agreements in place that include certain service-level commitments. If we are unable to meet such commitments, we may be contractually obligated to pay penalties or provide these customers with service credits for a portion of the service fees paid by our customers. However, we cannot be assured that our customers will accept these penalties or credits in lieu of other legal remedies that may be available to them. Our failure to meet our commitments could also result in customer dissatisfaction or loss and have an adverse effect on our business, reputation, financial condition and results of operations.

In addition, as we work on projects to advance the digital transformations of our customers' businesses, the scale and complexity of these IT transformation projects present risks in management and execution. Our profitability depends on the ability of subcontractors, vendors and service providers to deliver their products and services in a timely manner, at the anticipated cost, and in accordance with the project requirements, as well as on our effective oversight of their performance. Certain customer work requires the use of unique and complex structures and alliances, some of which require us to assume responsibility for the performance of third parties whom we do not control. In addition, as the Company continues to identify opportunities to reduce its overall cost structure and increase operating efficiencies, including through site rationalization initiatives, if we do not effectively manage such efforts and our infrastructure capacity requirements, it could adversely impact our ability to effectively and efficiently deliver our services. Any of these factors could adversely affect our ability to perform and subject us to additional liabilities, which could have an adverse effect on our relationships with customers and on our results of operations.

Risks from acquisitions and dispositions include integration challenges, failure to achieve objectives, the assumption of liabilities and higher debt levels.

We have made, and may continue to make, acquisitions and dispositions in furtherance of our strategy. Such transactions can present significant challenges and risks, and there can be no assurances that we will identify or manage such transactions successfully or that strategic opportunities will be available to us on acceptable terms or at all. The related risks include our failure to achieve strategic objectives, our failure to achieve anticipated revenue improvements and cost savings, our failure to retain key strategic relationships of acquired companies, our failure to retain key personnel and our assumption of liabilities related to litigation or other legal proceedings involving the businesses in such transactions, as well as our failure to close planned transactions. Such transactions may require us to secure financing, and our indebtedness may limit the availability of financing to us or the favorability of the terms of available financing. If we do acquire other companies, we may not realize all the economic benefit from those acquisitions, which could cause an impairment of goodwill or intangible assets.

We could be adversely impacted by our business with foreign, state and local government customers.

Our customers include numerous governmental entities within and outside the United States, including foreign governments and U.S. state and local entities. Some of our agreements with these customers are subject to periodic funding approval or other government budgetary issues. Funding reductions, delays or work stoppages could adversely impact public sector demand for our services and can result in payment delays, payment reductions or contract terminations, any of which would have an adverse effect on our business, financial condition, results of operations and/or cash flows. Also, government contracts are generally subject to extensive and evolving procurement regulations and tend to have additional requirements beyond commercial contracts and, for example, may contain provisions providing for higher liability limits for certain losses and non-performance. Also, compliance violations in one state or locality could result in suspension or debarment as a governmental contractor, could incur civil and criminal fines and penalties, or could impact our ability to compete for new contracts, which could negatively impact our competitive position, results of operations, financial results and reputation.

Intellectual property matters could adversely impact our business.

Our intellectual property rights may not prevent competitors from independently developing services similar to or duplicative of ours, nor can there be any assurance that the resources invested by us to protect our intellectual property will be sufficient or that our intellectual property portfolio will adequately deter misappropriation or improper use of our technology. Our ability to protect our intellectual property could also be impacted by changes to existing laws, legal principles and regulations governing intellectual property. Further, we rely on third-party intellectual property rights, open-source software and other third-party software in providing some of our services and solutions, and there can be no assurances that we will be able to obtain from third parties the licenses we need in the future or retain all of these intellectual property rights upon renewal, expiration or termination of such licenses. If we cannot obtain, renew or extend licenses to third-party intellectual property on commercially reasonable terms, or if we must obtain alternative or substitute technology or redesign services, our business may be adversely affected. Additionally, we cannot be sure that our services and solutions, or the solutions of others that we offer to our customers, do not infringe on the intellectual property rights of third parties (including competitors as well as non-practicing holders of intellectual property assets), and these third parties could claim that we, our customers or parties indemnified by us are infringing upon their intellectual property rights. As we expand our use of AI, there may be uncertainty regarding intellectual property ownership and license rights of AI algorithms and content generated by AI, and we may become subject to similar claims of infringement. In addition, we may be the target of aggressive and opportunistic enforcement of patents by third parties, including patent assertion entities and non-practicing entities. These claims, even if we believe they have no merit, could subject us to a temporary or permanent injunction or damages, harm our reputation, divert management attention and resources and cause us to incur substantial costs or prevent us from offering some services or solutions in the future. Even if we have an agreement providing for third parties to indemnify us for the foregoing claims, the indemnifying parties may be unwilling or unable to fulfill their contractual obligations.

We may be required to record impairment charges to future earnings if our goodwill or long-lived assets become impaired.

We are required under accounting principles generally accepted in the United States of America ("GAAP") to review our goodwill for impairment at least annually, and to review goodwill and long-lived assets when events or changes in circumstances indicate the carrying value may not be recoverable. Some factors that may be considered events or changes in circumstances that would require our long-lived assets and/or goodwill to be reviewed for impairment include a sustained decline in stock price, a substantial decline in business performance or other entity-specific events such as changes in business management and strategy. We may be required to record non-cash impairment charges during any period in which we determine that our goodwill or long-lived assets are impaired, which could adversely affect our results of operations. As of March 31, 2025, our goodwill balance was $790 million, which represented 8% of total consolidated assets. See Note 11 – Intangible Assets Including Goodwill to our financial statements included elsewhere in this report for additional information about our goodwill impairment.

Risks Relating to Cybersecurity, Data Governance and Privacy

Cybersecurity, data governance and privacy considerations could adversely impact our business.

We maintain information, including confidential and proprietary information, in digital form regarding our business and the business of our customers, business partners, vendors, employees, contractors and other third parties. We also rely on third-party vendors to provide certain digital services in connection with our business and our delivery of services to customers. There are numerous and evolving risks relating to cybersecurity, data governance and privacy, including risks originating from intentional acts of criminal hackers, nation states and hacktivists; from intentional and unintentional acts of customers, business partners, vendors, employees, contractors, competitors and other third parties; and from errors, vulnerabilities and omissions in infrastructure, technology products, services and solutions that we use, as well as the risks associated with the number of customers, business partners, vendors, employees, contractors and other third parties working remotely. Computer hackers and others routinely attempt to exploit and attack the security of technology products, services, systems and networks using a wide variety of methods, including ransomware or other malicious software and attempts to exploit vulnerabilities and flaws in hardware, software and infrastructure, technology products, services and solutions. Attacks also include social engineering to fraudulently induce customers, business partners, vendors, employees, contractors and other third parties to unwittingly disclose information, transfer funds or provide access to systems or data. We are at risk of security breaches not only of our own infrastructure, networks and services, but also those of customers, business partners, vendors, employees, contractors and other third parties.

Cyber threats and attacks are increasing in number and sophistication and continually evolving, particularly with the expanding availability of AI and generative AI tools and technologies, making it more challenging to defend against certain threats, attacks and vulnerabilities that can persist undetected over extended periods of time. Our technology infrastructure, products, services and solutions, including other third-party systems and technologies that we use to deliver our services or maintain on behalf of our customers, may be used in critical Company, customer or third-party operations, and involve the storage, processing and transmission of sensitive data, including proprietary or confidential data, regulated data, personal information and intellectual property of employees, customers and others. These products, services and solutions are also used by customers in heavily regulated industries, including those in the financial services, healthcare, critical infrastructure and government sectors. Cybersecurity attacks or other security incidents relating to our technology infrastructure, products, services and solutions or those of our vendors could result in, for example, one or more of the following: unauthorized access to, disclosure, modification, misuse, loss or destruction of Company, customer or other third-party data or systems; theft or import or export of sensitive, regulated or confidential data including personal information and intellectual property; the loss of access to critical data or systems through ransomware, destructive attacks or other means; and business delays, service or system disruptions or denials of service. In the event of such actions, we, our customers and other third parties could be exposed to liability (whether contractual or otherwise), litigation, and regulatory or other government inquiries, enforcement actions, fines or penalties, as well as the loss of existing or potential customers, negative publicity, damage to brand and reputation, damage to our competitive position and other financial loss.

The cost and operational consequences of responding to cybersecurity incidents and implementing remediation measures could be significant. In our industry, vulnerabilities in technology infrastructure, products, services and solutions are increasingly discovered, publicized and exploited, elevating the risk of attacks and the potential cost of response and remediation for us and our customers. The increasing number and sophistication of cyber threats, attacks and vulnerabilities, and the scale and complexity of our business and infrastructure, make it possible that certain threats, attacks or vulnerabilities will be undetected or unmitigated in time to prevent or minimize the impact on us or our customers. Cybersecurity risk to us and our customers also depends on factors such as the actions, practices and investments of customers, business partners, vendors, employees, contractors and other third parties. Cybersecurity attacks or other catastrophic events resulting in disruptions to or failures in power, information technology, communication systems or other critical infrastructure could result in interruptions or delays to Company, customer or other third-party operations or services, financial loss, injury or death to persons or property, potential liability, and damage to brand and reputation. Although, to date, we have not experienced a cybersecurity incident that has had a material adverse effect on us and we continuously take steps to mitigate cybersecurity risk across a range of functions, such measures cannot eliminate the risk entirely or provide absolute security. While we continue to monitor for, identify, investigate, respond to, remediate and develop plans to quickly recover from cybersecurity incidents, notwithstanding our efforts, we may experience a cybersecurity incident in the future that may have a material adverse impact on the Company.

As we are a global enterprise, the regulatory environment with regard to cybersecurity, data governance, privacy, AI and other issues to which we are subject is increasingly complex and will continue to impact our business, including through increased risk, increased compliance costs, and expanded or otherwise altered compliance obligations. The enactment and expansion of cybersecurity, data governance, privacy, AI and other laws and regulations around the globe, including an increased focus on international data transfer mechanisms and supply chain management, the lack of harmonization of such laws and regulations, the increase in associated litigation and enforcement activity, the potential for damages, fines and penalties, and enacted or potential regulation of emerging and new technologies, such as AI and generative AI, will continue to result in increased compliance costs and increased risks. Any additional costs and penalties associated with increased compliance, enforcement and risk reduction could make certain offerings less profitable or increase the difficulty of bringing certain offerings to market.

Risks Relating to Laws and Regulations

Our global operations expose us to numerous and sometimes conflicting legal and regulatory requirements, and violation of these regulations could harm our business.

We are subject to numerous, evolving, and sometimes conflicting, legal regimes on matters as diverse as anticorruption, import/export controls, content requirements, cybersecurity, data governance and privacy, trade restrictions, tariffs, taxation, sanctions, immigration, internal and disclosure control obligations, securities regulation, anti-competition, anti-money-laundering, wage-and-hour standards, employment and labor relations, environmental, human rights, machine learning and AI. Further, we and the services we provide to customers may be impacted directly or indirectly by the development and enforcement of laws and regulations in the U.S. and globally that are specifically targeted at the technology and services sectors. As we expand our customer base and the scope of our offerings, both within the U.S. and globally, we may be further impacted by additional regulatory or other risks, including compliance with laws relating to corporate taxation, import, export and trade restrictions on technology and services. The global nature of our operations, including jurisdictions where legal systems may be less developed or understood by us, business practices and standards which deviate from international standards, and the diverse nature of our operations across a number of regulated industries, further increases the difficulty of compliance. Additionally, certain laws and regulations including the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act 2010 could make us responsible for acts of our employees, subcontractors, vendors, agents, alliance or joint venture partners, the companies we may acquire and their employees, subcontractors, vendors and agents, and other third parties with which we associate if they take actions that violate applicable anti-corruption laws or regulations (whether or not we participated or knew about the actions leading to the violations).

Compliance with diverse legal requirements is costly and time-consuming and requires significant resources. New and changing laws can also adversely affect the Company’s business by limiting the Company’s ability to offer a

service or feature to customers, imposing changes to the design of the Company's products and services, impacting customer demand for the Company's products and services, and requiring changes to the Company's supply chain and business. New and changing laws and regulations can also create uncertainty about how such laws and regulations will be interpreted and applied. Violations of one or more of these regulations in the conduct of our business could result in significant fines and penalties, disgorgement of profits, enforcement actions or criminal sanctions against us and/or our employees, contractors or agents, prohibitions on doing business, unfavorable publicity and damage to our reputation. Violations of these regulations in connection with the performance of our obligations to our customers also could result in liability for significant monetary damages and restrictions on our ability to effectively carry out our contractual obligations and thereby expose us to potential claims from our customers. Due to the varying degrees of development of the legal systems of the countries in which we operate, local laws may not be well developed or provide sufficiently clear guidance and may be insufficient to protect our rights.

Changes in laws and regulations could also mandate significant and costly changes to the way we implement our services or could impose additional taxes on our services. Changes in laws and regulations, including expanding controls on imports and exports and sanctions resulting from geopolitical developments, could impact our business, including imposing limits on where we can conduct operations, parties with whom we can conduct business, and the nature of work that can be performed. Such changes may result in limitations on existing or future business operations in certain markets, and violations of such laws and regulations could result in significant fines, penalties and enforcement actions.

Tax matters could impact our results of operations and financial condition.

We are subject to income taxes and withholding taxes in both the United States and numerous foreign jurisdictions. We calculate and provide for taxes in each tax jurisdiction in which we operate. Tax accounting often involves complex matters and requires our judgment to determine our worldwide provision for income taxes and other tax liabilities. Our provision for income taxes and cash tax liability in the future could be adversely affected by numerous factors including, but not limited to, income before taxes being lower than anticipated in countries with lower statutory tax rates and higher than anticipated in countries with higher statutory tax rates, changes in the valuation of deferred tax assets and liabilities, and changes in tax laws, regulations, accounting principles or interpretations thereof, which could adversely impact our results of operations and financial condition in future periods. The Organization for Economic Cooperation and Development (the "OECD") continues to issue guidelines that are different, in some respects, than long-standing international tax principles. Local country adoption of some or all of these rules may increase tax uncertainty and may adversely impact our income taxes. Furthermore, local country, state, provincial or municipal taxation may also be subject to review and potential override by regional, federal, national or similar forms of government, which may also adversely impact our income taxes. In addition, we are subject to periodic examinations of our domestic and foreign tax returns by taxing authorities in the jurisdictions in which we do business. While we regularly assess the likelihood of adverse outcomes resulting from these examinations in order to determine the adequacy of our provision for income taxes, there can be no assurance that the outcomes from these examinations will not have an adverse effect on the Company's provision for income taxes and cash flows.

We are subject to legal proceedings and investigatory risks.

As a multinational company with customers and employees around the world, we are or may become involved as a party and/or may be subject to a variety of claims, demands, suits, investigations, tax matters and other proceedings that arise from time to time in the ordinary course of our business. In addition, our former Parent may obtain, or may seek to obtain, indemnity from us for judgments against it relating to events that occurred prior to the Separation pursuant to agreements put in place in connection with the Separation. The risks associated with known significant legal proceedings are described in more detail in Note 14 – Commitments and Contingencies in the financial statements elsewhere in this report. We believe that we have adopted appropriate risk management and compliance programs. Legal and compliance risks, however, will continue to exist, and additional legal proceedings and other contingencies, the outcome of which cannot be predicted with certainty, may arise from time to time.

We could incur costs for regulated environmental matters.

We are subject to various federal, state, local and foreign laws and regulations concerning the discharge of materials into the environment or otherwise related to environmental protection. We could incur costs, including cleanup costs, fines and civil or criminal sanctions, as well as third-party claims for property damage or personal injury, if we were to violate or become liable under environmental laws and regulations. In addition, if we were to violate or become liable under these laws and regulations our reputation could be harmed, which could have a negative impact on demand for our products and services.

Expectations relating to environmental, social and governance initiatives and considerations could expose us to potential liabilities, increased costs and reputational harm.

Over the past few years, governments, regulators, investors, employees, customers and other stakeholders have focused on environmental, social and governance initiatives and considerations relating to businesses. This includes matters relating to climate change and carbon emissions, human rights, diversity, equity and inclusion, responsible supply chain management, ethics, cybersecurity and privacy. At the same time, a number of stakeholders, government entities, regulators and lawmakers have expressed contrary views and expectations, including the proposal or enactment of "anti-ESG" legislation, regulation, policies and enforcement priorities, which may result in scrutiny, reputational risk, lawsuits or market access restrictions. Conflicting regulations and requirements, and a lack of harmonization of legal and regulatory environments across the jurisdictions in which we operate, may create enhanced compliance risks and costs. We have established and publicly announced certain goals, commitments and initiatives that reflect our current plans and aspirations on corporate citizenship matters, which are based on available data and estimates. There are no guarantees that we will be able to achieve these goals and commitments. The implementation of these goals, commitments and initiatives is subject to numerous risks, many of which are beyond our control, and in the future we may determine that further pursuit of them in light of changing circumstances is impracticable or inadvisable. Examples of such risks include but are not limited to: the availability and cost of resources and related technologies; the availability of suppliers and partners that can meet our standards; reliance on third-party performance and data; and our ability to manage geopolitical disruptions and natural disasters that could impact our employees, customers and businesses. Our failure, or perceived failure, to achieve our corporate citizenship and other related goals and commitments, maintain our practices, adhere to our public statements, comply with existing and new laws and regulations or meet evolving and varied stakeholder expectations and standards could adversely affect our reputation, our financial condition and our ability to attract and retain customers and talent, and expose us to increased scrutiny from the investment community, enforcement authorities and others.

Risks Relating to Financing and Capital Markets Activities

A lowering or withdrawal of the ratings, outlook or watch assigned to our debt securities by rating agencies may increase our future borrowing costs, reduce our access to capital and adversely impact our financial performance.

Any rating, outlook or watch assigned could be lowered or withdrawn entirely by a rating agency if, in that rating agency's judgment, current or future circumstances relating to the basis of the rating, outlook or watch, such as adverse changes to our business, so warrant. Any future lowering of our ratings, outlook or watch likely would make it more difficult or more expensive for us to refinance or obtain additional debt financing. Moreover, a reduction in our rating to below certain levels could potentially cause certain customers to reduce or cease to do business with us, which would adversely impact our financial performance.

The commercial and credit environment may adversely affect our access to capital.

Our ability to issue debt or enter into other financing arrangements on acceptable terms could be adversely affected if there is a material decline in the demand for our services or in the solvency of our customers or suppliers or if there are other significantly unfavorable changes in economic conditions. Volatility in the world financial markets could increase borrowing costs or affect our ability to access the capital markets. These conditions may adversely affect our credit ratings.

Our financial performance could be adversely impacted by changes in market liquidity conditions and by customer credit risk on receivables.

Our customer base includes many worldwide enterprises, from the world's largest organizations and governments to smaller businesses, with a significant portion of our revenue coming from global customers across many sectors. As a result, our financial performance is exposed to a wide variety of industry sector dynamics worldwide, including sudden shifts in regional or global economic activity. Our earnings and cash flows, as well as our access to funding, could be negatively impacted by changes in market liquidity conditions. Additionally, if we become aware of information related to the creditworthiness of a major customer, or if future actual default rates on receivables in general differ from those currently anticipated, we may have to adjust our allowance for credit losses, which could affect our net income in the period the adjustments are made.

Our results of operations and financial condition could be negatively impacted by our pension plans.

Adverse financial market conditions and volatility in the credit markets may have an unfavorable impact on the value of our pension trust assets and our future estimated pension liabilities. As a result, our financial results in any period could be negatively impacted. In addition, in a period of an extended financial market downturn, we could be required to provide incremental pension plan funding with resulting liquidity risk which could negatively impact our financial flexibility. Further, our results could be negatively impacted by premiums for mandatory pension insolvency insurance coverage outside the United States. Premium increases could be significant due to the level of insolvencies of unrelated companies in the country at issue.

We are exposed to currency risk that can adversely impact our revenue and business.

We derive a significant percentage of our revenues and costs in non-U.S. dollar currency environments, and our results are affected by changes in the relative values of non-U.S. currencies and the U.S. dollar, as well as sudden shifts in regional or global economic activity. Fluctuations in foreign currency exchange rates can have adverse effects on our revenues, income from operations and net income when items denominated in other currencies are translated or remeasured into U.S. dollars for presentation of our consolidated financial statements. In addition, we have labor and product supply agreements where the currency in which our costs are denominated differs from the currency of the customer contract. Our hedging strategies may not fully mitigate our currency risk or may prove disadvantageous. Additionally, large changes in currency exchange rates relative to our functional currencies can increase the costs of our services to customers relative to local competitors, thereby causing us to lose existing or potential customers to these local competitors.

Risks Relating to Our Common Stock and the Securities Market

Certain provisions in our Amended and Restated Certificate of Incorporation and Amended and Restated By-Laws and Delaware law may discourage takeovers and limit the power of our stockholders.

Several provisions of our Amended and Restated Certificate of Incorporation, Amended and Restated By-Laws and Delaware law may discourage, delay or prevent a merger or acquisition. These include, among others, provisions that (i) provide for staggered terms for directors on our Board for a period following the Spin-off; (ii) establish advance notice requirements for stockholder nominations and proposals; (iii) provide for the removal of directors only for cause during the time the Board is classified; (iv) limit the ability of stockholders to call special meetings or act by written consent; and (v) provide the Board the right to issue shares of preferred stock without stockholder approval. In addition, we are subject to Section 203 of the Delaware General Corporation Law ("DGCL"), which could have the effect of delaying or preventing a change of control that some stockholders may favor.

These and other provisions of our Amended and Restated Certificate of Incorporation, Amended and Restated By-Laws and Delaware law may discourage, delay or prevent certain types of transactions involving an actual or a threatened acquisition or change in control, including unsolicited takeover attempts, even though the transaction may offer our stockholders the opportunity to sell their shares of our common stock at a price above the prevailing market price. Our Board believes these provisions will protect our stockholders from coercive or otherwise unfair takeover

tactics by requiring potential acquirers to negotiate with the Board and by providing the Board with more time to assess any acquisition proposal. These provisions will apply even if the offer may be considered beneficial by some stockholders and could delay or prevent an acquisition that the Board determines is not in our and our stockholders' best interests.

Our Amended and Restated Certificate of Incorporation provides that certain courts in the State of Delaware or the federal district courts of the United States will be the sole and exclusive forum for substantially all disputes between us and our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees.

Our Amended and Restated Certificate of Incorporation provides, in all cases to the fullest extent permitted by law, unless we consent in writing to the selection of an alternative forum, the Court of Chancery located within the State of Delaware will be the sole and exclusive forum for any derivative action or proceeding brought on behalf of us, any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee or stockholder to us or our stockholders, any action asserting a claim arising pursuant to the DGCL or as to which the DGCL confers jurisdiction on the Court of Chancery located in the State of Delaware or any action asserting a claim governed by the internal affairs doctrine or any other action asserting an "internal corporate claim" as that term is defined in Section 115 of the DGCL, or any action asserting a claim arising under the DGCL, our Amended and Restated Certificate of Incorporation or our Amended and Restated By-Laws. However, if the Court of Chancery within the State of Delaware does not have jurisdiction, the action may be brought in the United States District Court for the District of Delaware. The exclusive forum provision provides that it will not apply to claims arising under the Securities Act, the Exchange Act or other federal securities laws for which there is exclusive federal or concurrent federal and state jurisdiction. Unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act.

Any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock will be deemed to have notice of and, to the fullest extent permitted by law, to have consented to the provisions of our Amended and Restated Certificate of Incorporation described above. The choice of forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, other employees or stockholders, which may discourage such lawsuits against us and our directors, officers, other employees or stockholders. However, the enforceability of similar forum provisions in other companies' certificates of incorporation has been challenged in legal proceedings. If a court were to find the exclusive choice of forum provision contained in our Amended and Restated Certificate of Incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions.

Item 1B. Unresolved Staff Comments.

None.

Item 1C. Cybersecurity.

Cybersecurity Risk Management and Strategy

We recognize the critical importance of cybersecurity in upholding the safety and security of our systems, services and data and maintaining the trust of our customers. Cybersecurity risk management is an important part of, and is integrated into, the Company's overall enterprise risk management program. We maintain a cybersecurity risk management program that is designed to identify, assess, manage and mitigate cybersecurity risks and provides a framework for responding to cybersecurity threats and incidents. We regularly assess and update our cybersecurity risk management program and our cybersecurity posture to protect the confidentiality, integrity and availability of the Company's and our customers' infrastructure, resources and information.

We designed a multi-faceted risk-management approach based on the National Institute of Standards and Technology (NIST) Cybersecurity Framework and informed by other industry standards and industry-recognized practices to identify and address cybersecurity risks. Our key cybersecurity processes include the following:

- ***Risk-based, layered controls*** – We regularly assess and adjust our technical controls and methods to identify, respond to and mitigate emerging cybersecurity risks and use a layered approach with overlapping controls to defend against cybersecurity attacks and threats to our networks, end-user devices, infrastructure, applications, data and cloud solutions and the data that our customers entrust to us.

- ***Cybersecurity incident response plan and testing*** – We have a global incident response process and dedicated teams responsible for monitoring, detecting and responding to cybersecurity threats and attacks, whether external or internal, periodically testing our processes and protocols, and regularly communicating and providing reports to our CISO, Security & Resiliency global practice leader and senior executive leadership.

- ***Information sharing and collaboration*** – We utilize threat intelligence and security information collected from various sources, including but not limited to partners, suppliers, governments and information sharing and analysis centers, to identify, protect against, detect and respond to potential cybersecurity threats and events.

- ***Training and awareness*** – We use a combination of training and education, including mandatory annual cybersecurity and privacy training, phishing simulation exercises and a multitude of alerts, educational tools, videos and other ongoing awareness initiatives on a variety of topics relating to the rapidly evolving threat landscape, throughout the year that foster a culture of security awareness and responsibility among our workforce.

- ***Supplier risk assessments*** – Recognizing that our suppliers can be subject to cybersecurity incidents which may impact us and our customers, our procurement process includes security, data governance and privacy risk assessments to identify and evaluate risk associated with certain key suppliers, including reviewing relevant cybersecurity certifications and third-party audit results, assessing technical and organizational controls and evaluating their risk profile.

We periodically engage third-party security consultants to conduct evaluations of our cybersecurity controls and procedures, including penetration testing, third-party audits, and reassessing best practices to address new challenges. These evaluations include testing the design and operational effectiveness of our cybersecurity controls and procedures. Our internal audit function conducts additional reviews and assessments of our cybersecurity controls and procedures and reports to the Audit Committee and the Board of Directors as appropriate. We use the findings from these efforts to improve our practices, procedures and technologies.

Cybersecurity Risk Oversight and Governance

Our Board of Directors is responsible for the overall oversight of our enterprise risk management. The Audit Committee periodically reviews the Company's enterprise risk management framework, including enterprise risk management processes, and assists the Board of Directors in its oversight over certain key areas of risks, including overseeing cybersecurity, data governance and privacy risk and regularly reporting on such matters to the Board. The Audit Committee and full Board of Directors receive periodic updates from our CISO about Kyndryl's cybersecurity policies and practices, cybersecurity developments, trends, risks, notable incidents, mitigation strategies, maturity initiatives and other developments throughout the year, as well as periodic updates from our CIO, Security & Resiliency global practice leader and other senior leaders on cybersecurity-related matters.

Our information security program is led by our CISO, who is responsible for the overall security of the enterprise, and our Security & Resiliency global practice leader, who is responsible for the security of the services that we provide to customers. Our CISO and Security & Resiliency global practice leader collaborate closely with one another and other key stakeholders across the Company in developing and implementing our cybersecurity strategy, policy, controls, operations, threat detection and incident response and remediation. Our teams that support the CISO and Security & Resiliency global practice leader in these efforts are comprised of cybersecurity professionals with many

years of experience in cybersecurity across multiple sectors, including heavily regulated industries such as financial services and defense, and many of them hold relevant industry certifications.

Under our global incident response process, cybersecurity incidents are assessed and classified by severity, and significant incidents are escalated as appropriate to senior executive leadership. In addition, we have a process to promptly notify the Board of Directors, as appropriate, in the event of any cybersecurity incident impacting the Company that may be material.

Based on the information we have as of the date of this Form 10-K, we do not believe that any cybersecurity incident experienced by the Company has materially affected or is reasonably likely to materially affect Kyndryl, including our business strategy, results of operations or financial condition. For additional information about cybersecurity risks, see Item 1A. “Risk Factors.”

Item 2. Properties.

As of March 31, 2025, we owned or leased approximately 10.9 million square feet of space worldwide, which is substantially all data centers and office space used in the normal course of our business. The Company will continue to evaluate space requirements and identify opportunities to improve operating efficiencies. Below is a summary of the Company’s active properties.

	Owned and Leased Space (millions of square feet)
United States *	3.9
Japan	1.0
Principal Markets	3.1
Strategic Markets	2.9
Total	10.9

* United States includes corporate offices not allocated to the Unites States segment, including our global headquarters located in New York, New York.

Item 3. Legal Proceedings.

Refer to Note 14 – Commitments and Contingencies to the consolidated financial statements included elsewhere in this Form 10-K.

Item 4. Mine Safety Disclosures.

Not applicable.

PART II

Item 5. Market for the Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Our common stock is listed on the New York Stock Exchange (“NYSE”) under the symbol KD.

As of May 23, 2025, there were approximately 221,000 stockholders of record of our common stock. This is not the actual number of beneficial owners of the Company’s common stock as some shares are held in “street name” by brokers and others on behalf of individual owners.

Since the Separation, we have not paid cash dividends on our common stock. Future dividends, if any, and the timing of declaration of any such dividends, will be at the discretion of our Board of Directors and will depend upon many factors including, but not limited to, our results of operations, financial condition, level of indebtedness, capital

requirements, contractual restrictions, restrictions in our debt agreements and in any preferred stock, business prospects and other factors that our Board of Directors deems relevant.

In November 2024, the Company's Board of Directors authorized a share repurchase program of up to $300 million of the Company's common stock (the "Share Repurchase Program"). During the year ended March 31, 2025, the Company repurchased 2.6 million shares of its common stock under the program at an aggregate cost of $94 million. A summary of our common stock repurchases during the three months ended March 31, 2025 is set forth in the table below.

Period	Total Number of Shares Repurchased[(a)]	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs (in millions)
January 1 - 31	268,362	$ 37.91	268,362	$ 260
February 1 - 28	566,091	38.95	566,091	238
March 1 - 31	932,676	34.54	932,676	206
Total	1,767,129		1,767,129	

(a) All shares were repurchased in open market transactions pursuant to the $300 million Share Repurchase Program authorized by our Board of Directors and publicly announced on November 21, 2024. The Share Repurchase Program does not have a set expiration date and may be suspended, modified or discontinued at any time without prior notice. Amounts shown herein exclude common stock repurchases to settle tax withholdings related to the vesting of stock-based awards. See further description of the Stock Repurchase Program in "Part II, Item 7—Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources— Share Repurchase Program."

Stock Performance Graph

The following graphs compare the cumulative total return of holders of our common stock with the cumulative total return of the S&P 400 Midcap Index and S&P IT Sector Index.

The graph below tracks the performance of a $100 investment in our common stock and in each index from November 4, 2021, the date our stock commenced regular-way trading on the NYSE, to March 31, 2025.

	11/04/2021	12/31/2021	3/31/2022	3/31/2023	3/31/2024	3/31/2025
Kyndryl Holdings, Inc	100.00	68.61	49.73	55.95	82.49	119.03
S&P400 MidCap Index	100.00	98.68	93.53	87.23	105.77	101.36
S&P 400 IT Sector GICS Level 1 Index	100.00	96.43	88.54	87.34	115.59	102.09

The graph below tracks the performance of a $100 investment in our common stock and in each index from April 1, 2024, the beginning of our fiscal year, to March 31, 2025.

	4/01/2024	3/31/2025
Kyndryl Holdings, Inc	100.00	145.71
S&P400 MidCap Index	100.00	96.51
S&P 400 IT Sector GICS Level 1 Index	100.00	88.54

Item 6. [Reserved]

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Overview

Included below are selected results and year-over-year comparisons for the years ended March 31, 2025, 2024 and 2023. The following discussion and analysis of our financial condition and results of operations should be read together with our audited consolidated financial statements and related notes included elsewhere in this report. For further information on the comparisons between the years ended March 31, 2024 and 2023 not covered in the "Segment Results" below, refer to "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Company's Annual Report on Form 10-K for the fiscal year ended March 31, 2024 (the "2024 Form 10-K").

(Dollars in millions)	Year Ended March 31, 2025	2024	2023
Revenue	$ 15,057	$ 16,052	$ 17,026
Revenue growth (GAAP)	(6)%	(6)%	(7)% (2)
Revenue growth in constant currency(1)	(4)%	(6)%	0 % (2)
Net income (loss)	$ 252	$ (340)	$ (1,374)
Adjusted EBITDA(1)	$ 2,516	$ 2,367	$ 1,975

(1) Revenue growth in constant currency and adjusted EBITDA are non-GAAP financial metrics. For definitions of these metrics and a reconciliation of adjusted EBITDA to the most directly comparable financial measure calculated and presented in accordance with U.S. GAAP, see "—Segment Results."

(2) In January 2022, the Company changed its fiscal year-end to March 31 from December 31. The year-over-year comparison for the year ended March 31, 2023 and the results of operations for the twelve months ended March 31, 2022 were derived from our unaudited quarterly consolidated financial statements as previously reported.

(Dollars in millions)	March 31, 2025	March 31, 2024
Assets	$ 10,452	$ 10,590
Liabilities	9,121	9,468
Equity	1,331	1,122

Organization of Information

Kyndryl Holdings, Inc. was formed as a wholly-owned subsidiary of IBM in September 2021 to hold the operations of the infrastructure services unit of IBM's Global Technology Services segment. On November 3, 2021, Kyndryl separated from IBM through a spin-off that was tax-free for U.S. federal tax purposes. Following the Separation, Kyndryl became an independent, publicly-traded company and the world's leading IT infrastructure services provider.

Financial Performance Summary

Macro Dynamics

In fiscal year 2025, we saw continuing demand for information technology services, despite concerns about economic growth, geopolitical tensions and inflationary pressures. Most economists, including the International Monetary Fund, expect positive global macroeconomic growth to continue in calendar year 2025. Global markets have experienced increased volatility in recent months, driven by geopolitical developments, concerns over the imposition of import tariffs by the United States, reactions from other nations and proposed U.S. government spending reductions. Increased economic uncertainty may impact the level of global macroeconomic activity.

Fiscal 2025 Financial Performance

For the year ended March 31, 2025, we reported $15.1 billion in revenue, a decline of 6 percent compared to the year ended March 31, 2024. The revenue decline was largely attributable to actions the Company has taken to reduce

low-margin components of its customer relationships, as well as currency effects. United States revenue declined 10 percent, Japan revenue increased 1 percent, Principal Markets revenue declined 5 percent and Strategic Markets revenue decreased 8 percent, compared to the year ended March 31, 2024. Net income of $252 million improved by $592 million versus the prior year driven by progress on our key initiatives to drive operating efficiencies and increased margins, lower depreciation expense and a $138 million after-tax gain from the sale of our SIS platform in Canada.

Fiscal 2024 Financial Performance

For the year ended March 31, 2024, we reported $16.1 billion in revenue, a decline of 6 percent compared to the year ended March 31, 2023. The revenue decline was largely attributable to actions the Company has taken to reduce unprofitable and low-margin components of its customer relationships. United States revenue declined 9 percent, Japan revenue declined 6 percent, Principal Markets revenue declined 2 percent and Strategic Markets revenue decreased 7 percent, compared to the year ended March 31, 2023. Net loss of $340 million improved by $1.0 billion versus the prior-year period driven by progress on our key initiatives to drive operating efficiencies, increased margins and reduced transaction-related costs tied to our Separation.

Basis of Presentation

We prepare our consolidated financial statements in accordance with U.S. GAAP, which requires us to make estimates and assumptions that impact the amounts reported and disclosed in our consolidated financial statements and the accompanying notes. We prepared these estimates based on the most current and best available information, but actual results could differ materially from these estimates and assumptions. All significant transactions and accounts between Kyndryl entities were eliminated. Within the financial statements and tables presented, certain columns and rows may not add due to the use of rounded numbers for disclosure purposes. Percentages presented are calculated from the underlying whole-dollar amounts.

Segment Results

The following table presents our reportable segments' revenue and adjusted EBITDA for the years ended March 31, 2025, 2024 and 2023. Segment revenue and revenue growth in constant currency exclude any transactions between the segments.

	Year Ended March 31,			Year-over-Year Change	
(Dollars in millions)	**2025**	**2024**	**2023**	**2025 vs. 2024**	**2024 vs. 2023**
Revenue					
United States	$ 3,876	$ 4,295	$ 4,726	(10)%	(9)%
Japan	2,358	2,344	2,502	1 %	(6)%
Principal Markets	5,206	5,479	5,556	(5)%	(1)%
Strategic Markets	3,617	3,934	4,241	(8)%	(7)%
Total revenue	$ 15,057	$ 16,052	$ 17,026	(6)%	(6)%
Revenue growth in constant currency[1]	(4)%	(6)%	0 %		
Adjusted EBITDA[1]					
United States	$ 725	$ 781	$ 839	(7)%	(7)%
Japan	390	361	407	8 %	(11)%
Principal Markets	886	677	323	31 %	110 %
Strategic Markets	606	642	484	(6)%	33 %
Corporate and other[2]	(90)	(95)	(77)	NM	NM
Total adjusted EBITDA[1]	$ 2,516	$ 2,367	$ 1,975	6 %	20 %

NM – not meaningful
(1) Revenue growth in constant currency and adjusted EBITDA are non-GAAP financial metrics. See the information below for definitions of these metrics and a reconciliation of adjusted EBITDA to net income (loss).
(2) Represents net amounts not allocated to segments

The Company made a minor change to its geographic reportable segments effective June 1, 2024 to reflect how the Company manages its operations and measures business performance, transitioning the reporting and management of its operations in Australia/New Zealand from the Principal Markets segment to the Strategic Markets segment. All historical segment information has been recast to reflect this change.

We report our financial results in accordance with U.S. GAAP. We also present certain non-GAAP financial measures to provide useful supplemental information to investors. We provide these non-GAAP financial measures as we believe they enhance visibility to underlying results and the impact of management decisions on operational performance, enable better comparison to peer companies and allow us to provide a long-term strategic view of the business going forward.

Revenue growth in constant currency is a non-GAAP measure that eliminates the effects of exchange rate fluctuations when translating from foreign currencies to the United States dollar. It is calculated by using the average exchange rates that existed for the same period of the prior year. Constant-currency measures are provided so that revenue can be viewed without the effect of fluctuations in currency exchange rates, which is consistent with how management evaluates our revenue results and trends.

Additionally, management uses adjusted EBITDA to evaluate our performance. Adjusted EBITDA is a non-GAAP measure and defined as net income (loss) excluding income taxes, interest expense, depreciation and amortization (excluding depreciation of right-of-use assets and amortization of capitalized contract costs), charges related to ceasing to use leased/fixed assets, charges related to lease terminations, transaction-related costs and benefits, pension expenses other than pension servicing costs and multi-employer plan costs, stock-based compensation expense, workforce rebalancing charges incurred prior to March 31, 2024, impairment expense, significant litigation costs and benefits, and currency impacts of highly inflationary countries. We believe that adjusted EBITDA is a helpful supplemental measure to assist investors in evaluating our operating results as it excludes certain items whose fluctuation from period to period does not necessarily correspond to changes in the operations of our business.

These disclosures are provided in addition to and not as a substitute for the percentage change in revenue and profit or loss measures on a U.S. GAAP basis compared to the corresponding period in the prior year. Other companies may calculate and define similarly labeled items differently, which may limit the usefulness of this measure for comparative purposes.

The following table provides a reconciliation of U.S. GAAP net income (loss) to adjusted EBITDA:

	Year Ended March 31,		
(Dollars in millions)	**2025**	**2024**	**2023**
Net income (loss)	$ 252	$ (340)	$ (1,374)
Provision for income taxes	184	172	524
Interest expense	100	122	94
Depreciation of property, equipment and capitalized software	660	834	900
Amortization expense	1,308	1,287	1,245
Workforce rebalancing charges incurred prior to March 31, 2024	—	138	71
Charges related to ceasing to use leased/fixed assets and lease terminations	48	39	80
Transaction-related costs (benefits)	(125)	(46)	264
Stock-based compensation expense	100	95	113
Other adjustments*	(10)	68	59
Adjusted EBITDA (non-GAAP)	$ 2,516	$ 2,367	$ 1,975

* Other adjustments represent pension expenses other than pension servicing costs and multi-employer plan costs, significant litigation costs and benefits, and currency impacts of highly inflationary countries. For the year ended March 31, 2024, other adjustments also included an adjustment to reduce amortization expense for the amount already included in transaction-related costs (benefits) above.

United States

(Dollars in millions)	Year Ended March 31, 2025	Year Ended March 31, 2024
Revenue	$ 3,876	$ 4,295
Revenue year-over-year change	(10) %	(9) %
Adjusted EBITDA	725	781
Adjusted EBITDA year-over-year change	(7) %	

For the year ended March 31, 2025, United States revenue of $3.9 billion decreased 10 percent compared to the year ended March 31, 2024, reflecting the Company's efforts to reduce certain low-margin revenues and the expiration of other low-margin contracts entered into before the Spin-off. Adjusted EBITDA decreased $56 million from the prior year, primarily driven by lower revenue and the impact of the inclusion of workforce rebalancing charges in adjusted EBITDA in fiscal 2025.

For the year ended March 31, 2024, United States revenue of $4.3 billion decreased 9 percent compared to the year ended March 31, 2023, driven by the Company's efforts to reduce certain low-margin revenues. Adjusted EBITDA decreased $58 million from the prior year, primarily driven by an increase in software costs of $67 million resulting from an amendment of the contract with a software provider that re-allocated costs among our segments, partially offset by increased operating efficiencies and higher margins on recent signings.

Japan

(Dollars in millions)	Year Ended March 31, 2025	Year Ended March 31, 2024
Revenue	$ 2,358	$ 2,344
Revenue year-over-year change	1 %	(6) %
Revenue growth in constant currency	6 %	0 %
Adjusted EBITDA	390	361
Adjusted EBITDA year-over-year change	8 %	

For the year ended March 31, 2025, Japan revenue of $2.4 billion increased 1 percent, and increased 6 percent in constant currency, compared to the year ended March 31, 2024, primarily driven by expanding the scope of services we provide to our customers. Adjusted EBITDA increased $29 million from the prior year, primarily driven by progress on our key initiatives.

For the year ended March 31, 2024, Japan revenue of $2.3 billion decreased 6 percent compared to the year ended March 31, 2023, driven primarily by an unfavorable currency exchange rate impact of six points. Adjusted EBITDA decreased $46 million from the prior year, primarily driven by unfavorable currency movements that impacted both non-yen-denominated costs and the translation of earnings into U.S. dollars.

Principal Markets

(Dollars in millions)	Year Ended March 31, 2025	Year Ended March 31, 2024
Revenue	$ 5,206	$ 5,479
Revenue year-over-year change	(5) %	(1) %
Revenue growth in constant currency	(4) %	(4) %
Adjusted EBITDA	886	677
Adjusted EBITDA year-over-year change	31 %	

For the year ended March 31, 2025, Principal Markets revenue of $5.2 billion decreased 5 percent compared to the year ended March 31, 2024, driven by actions the Company has taken to reduce low-margin components of its

customer relationships. Adjusted EBITDA increased $209 million from the prior year, primarily due to increased operating efficiencies and higher margins on recent signings, as well as a vendor credit.

For the year ended March 31, 2024, Principal Markets revenue of $5.5 billion decreased 1 percent compared to the year ended March 31, 2023, including a favorable currency exchange rate impact of three points. The revenue decline was largely attributable to actions the Company has taken to reduce low-margin components of its customer relationships. Adjusted EBITDA increased $354 million from the prior year, primarily due to increased operating efficiencies, higher margins on recent signings and a decrease in software costs of $86 million resulting from an amendment of the contract with a software provider that re-allocated costs among our segments.

Strategic Markets

(Dollars in millions)	Year Ended March 31, 2025	Year Ended March 31, 2024
Revenue	$ 3,617	$ 3,934
Revenue year-over-year change	(8) %	(7) %
Revenue growth in constant currency	(5) %	(10) %
Adjusted EBITDA	606	642
Adjusted EBITDA year-over-year change	(6) %	

For the year ended March 31, 2025, Strategic Markets revenue of $3.6 billion decreased 8 percent compared to the year ended March 31, 2024. The revenue decline was largely attributable to actions the Company has taken to reduce low-margin components of its customer relationships, as well as an unfavorable currency exchange rate impact of three points. Adjusted EBITDA decreased $36 million from the prior year, primarily driven by the impact of the inclusion of workforce rebalancing charges in adjusted EBITDA in fiscal 2025, partially offset by progress on our key initiatives.

For the year ended March 31, 2024, Strategic Markets revenue of $3.9 billion decreased 7 percent compared to the year ended March 31, 2023, including a favorable currency exchange rate impact of three points. The revenue decline was largely attributable to actions the Company has taken to reduce low-margin components of its customer relationships. Adjusted EBITDA increased $158 million from the prior year, primarily due to increased operating efficiencies and higher margins on recent signings, partially offset by an increase in software costs of $29 million resulting from an amendment of the contract with a software provider that re-allocated costs among our segments.

Corporate and Other

Corporate and other generated an adjusted EBITDA loss of $90 million in the year ended March 31, 2025, compared to a loss of $95 million in the year ended March 31, 2024, and a loss of $77 million in the year ended March 31, 2023.

Costs and Expenses

(Dollars in millions)	Year Ended March 31, 2025	Year Ended March 31, 2024	Percent of Revenue 2025	Percent of Revenue 2024	Change 2025 vs. 2024
Revenue	$ 15,057	$ 16,052	100.0 %	100.0 %	(6)%
Cost of services	11,914	13,189	79.1 %	82.2 %	(10)%
Selling, general and administrative expenses	2,591	2,773	17.2 %	17.3 %	(7)%
Workforce rebalancing charges	114	138	0.8 %	0.9 %	(18)%
Transaction-related costs (benefits)	(125)	(46)	(0.8)%	(0.3)%	NM
Interest expense	100	122	0.7 %	0.8 %	(18)%
Other expense	27	45	0.2 %	0.3 %	(39)%
Income (loss) before income taxes	$ 435	$ (168)			

NM – not meaningful

Cost of services was 79.1% of revenue in the year ended March 31, 2025, compared to 82.2% in the year ended March 31, 2024, driven by lower depreciation expense, increased operating efficiencies, higher margins on recent signings, and a vendor credit. Selling, general and administrative expenses were 17.2% of revenue in the year ended March 31, 2025, compared to 17.3% in the year ended March 31, 2024. Transaction-related costs (benefits) were (0.8)% of revenue in the year ended March 31, 2025, primarily due to a $145 million pretax gain from the sale of the SIS platform in Canada, compared to transaction-related costs (benefits) of (0.3)% of revenue in the year ended March 31, 2024, which reflected an agreement that allowed us to collect previously reserved receivables from our former Parent. Interest expense was 0.7% of revenue in the year ended March 31, 2025 compared to 0.8% in the year ended March 31, 2024. Other expense was 0.2% of revenue in the year ended March 31, 2025, compared to 0.3% in the year ended March 31, 2024, driven by currency-related hedging gains recorded this year.

(Dollars in millions)	Year Ended March 31, 2024	Year Ended March 31, 2023	Percent of Revenue 2024	Percent of Revenue 2023	Change 2024 vs. 2023
Revenue	$ 16,052	$ 17,026	100.0 %	100.0 %	(6)%
Cost of services	13,189	14,498	82.2 %	85.2 %	(9)%
Selling, general and administrative expenses	2,773	2,914	17.3 %	17.1 %	(5)%
Workforce rebalancing charges	138	71	0.9 %	0.4 %	95 %
Transaction-related costs (benefits)	(46)	264	(0.3)%	1.5 %	NM
Interest expense	122	94	0.8 %	0.5 %	30 %
Other expense	45	35	0.3 %	0.2 %	27 %
Income (loss) before income taxes	$ (168)	$ (851)			

NM – not meaningful

Cost of services was 82.2% of revenue in the year ended March 31, 2024, compared to 85.2% in the year ended March 31, 2023, driven by increased operating efficiencies, higher margins on recent signings and actions the Company has taken to reduce low-margin components of its customer relationships. Selling, general and administrative expenses were 17.3% of revenue in the year ended March 31, 2024 compared to 17.1% in the year ended March 31, 2023, driven by lower revenue, partially offset by reduced expenses. Workforce rebalancing charges were 0.9% of revenue in the year ended March 31, 2024 versus 0.4% of revenue in the prior-year period, due to increased workforce rebalancing actions taken in fiscal 2024. Transaction-related costs (benefits) were (0.3)% of revenue in the year ended March 31, 2024 compared to 1.5% in the prior-year, driven by reduced rebranding and employee-retention costs and the favorable resolution of certain pre-Separation and Separation-related matters with our former Parent. Interest expense was 0.8% of revenue in the year ended March 31, 2024 compared to 0.5% in the prior year due to higher interest rates in fiscal 2024.

Transaction-Related Costs

The Company classifies certain expenses and benefits related to the Separation, acquisitions and divestitures as “transaction-related costs (benefits)” in the Consolidated Income Statement. Transaction-related costs include gains or losses, employee retention expenses, information technology costs, marketing expenses to establish the Kyndryl brand,

legal, accounting, consulting and other professional service costs, costs and benefits resulting from settlements with our former Parent associated with pre-Separation and Separation-related matters, and other costs related to contract and supplier novation and integration, associated with acquisitions, divestitures or the Separation.

Workforce Rebalancing and Site-Rationalization Charges

Fiscal 2025 Program

During the year ended March 31, 2025, management initiated actions to reduce the Company's overall cost structure and increase our operating efficiency. These actions resulted in workforce rebalancing charges, charges related to ceasing to use leased and owned fixed assets, and charges related to lease terminations. During the year ended March 31, 2025, the Company recorded $114 million in workforce rebalancing charges and $48 million in charges related to ceasing to use leased and owned fixed assets, including lease termination charges.

Total cash outlays for this program are expected to be approximately $150 million, of which approximately $110 million has been paid through March 31, 2025, and the remainder is expected to be paid thereafter. Management expects that these workforce rebalancing and site-rationalization activities will reduce payroll costs, rent expenses and depreciation of property and equipment by more than $200 million in fiscal year 2026. There can be no guarantee that we will achieve our expected cost savings.

The Company will continue to seek opportunities to improve operational efficiency and reduce costs, which may result in additional charges in future periods. For additional information, see Note 19 – Workforce Rebalancing and Site-Rationalization Charges in the accompanying Consolidated Financial Statements.

Fiscal 2024 Program

During the year ended March 31, 2023, management initiated certain actions to reduce the Company's overall cost structure and increase our operating efficiency, which continued through the year ended March 31, 2024. These actions resulted in workforce rebalancing charges, charges related to ceasing to use leased and owned fixed assets, and charges related to lease terminations. Workforce rebalancing charges arise from cost-reduction actions to enhance productivity and cost-competitiveness and to rebalance skills that result in payments to the terminated employees. In addition, we identified certain leased and owned assets that were inherited from IBM as a result of the Separation that we determined will no longer provide any economic benefit to Kyndryl. During the year ended March 31, 2024, the Company recognized $135 million in workforce rebalancing charges (excluding individual terminations outside of this Company-wide workforce rebalancing program) and $39 million in charges related to ceasing to use leased and owned fixed assets, including lease termination charges.

Total cash outlays for this program are expected to be $300 million, of which approximately $270 million has been paid through March 31, 2025 (including approximately $70 million of contractual payments toward leased assets we have ceased to use), and the remainder is expected to be paid thereafter. Management estimates that these workforce rebalancing and site-rationalization activities reduced payroll costs, rent expenses and depreciation of property and equipment by approximately $400 million in fiscal year 2025.

Income Taxes

The Company's consolidated provision for income taxes and effective tax rate were as follows:

	Year Ended March 31,		
(Dollars in millions)	**2025**	**2024**	**2023**
Provision for income taxes	$ 184	$ 172	$ 524
Effective tax rate	41.9 %	(102.2)%	(61.6)%

In the year ended March 31, 2025, we recorded income tax expense of $184 million. In the years ended March 31, 2024 and 2023, we recorded income tax expense of $172 million and $524 million, respectively, on pretax losses,

which resulted in negative effective tax rates. Our income tax expense for the year ended March 31, 2025, was primarily related to taxes on foreign operations and uncertain tax positions. Our income tax expense for the year ended March 31, 2024 was primarily related to taxes on foreign operations and uncertain tax positions. Our income tax expense for the year ended March 31, 2023 was primarily related to the increases in valuation allowances in certain jurisdictions against deferred tax assets that are not more likely than not to be realized, taxes on foreign operations and uncertain tax positions.

The effective tax rate for the year ended March 31, 2025 was higher compared to the year ended March 31, 2024, primarily due to the Company's pretax income in fiscal year 2025, compared to a pretax loss in 2024. The effective tax rate for the year ended March 31, 2024 was lower (more negative) compared to the year ended March 31, 2023 primarily due to the Company's pretax loss being significantly lower in fiscal year 2024. For more information, see Note 5 – Taxes in the accompanying Consolidated Financial Statements.

Financial Position

Dynamics

Total assets of $10.5 billion at March 31, 2025 decreased by $138 million (and decreased by $52 million adjusted for currency) from March 31, 2024, primarily driven by: a decrease of $254 million in accounts receivable primarily due to lower past-due receivables; a reduction in operating right-of-use assets, net, of $133 million due to amortization outpacing additions; and a decrease in property and equipment, net, of $104 million due to depreciation outpacing net additions; partially offset by an increase in cash and cash equivalents of $234 million mainly due to our net income in the period; and an increase in other non-current assets of $95 million due to an increase in long-term prepaid assets.

Total liabilities of $9.1 billion at March 31, 2025 decreased by $347 million (and decreased by $305 million adjusted for currency) from March 31, 2024, primarily as a result of: a decrease in operating lease liabilities of $121 million due to a reduction in right-of-use assets; a decrease in long-term debt of $70 million due to lower finance lease obligations; a decrease in accounts payable of $57 million due to lower costs; and a decrease in accrued contract costs of $51 million due to lower volumes.

Total equity of $1.3 billion at March 31, 2025 increased by $209 million from March 31, 2024, principally due to our net income in the period, partially offset by $94 million of share repurchases under our Share Repurchase Program.

Overall pension funded status as of March 31, 2025 was 77% of estimated pension benefit obligation, an increase from 75% at March 31, 2024. Among our funded pension plans, our funded status as of March 31, 2025 was 103%, an increase from 99% at March 31, 2024.

Cash Flow

Our cash flows from operating, investing and financing activities are summarized in the table below.

	Year Ended March 31,	
(Dollars in millions)	**2025**	**2024**
Net cash provided by (used in):		
Operating activities	$ 942	$ 454
Investing activities	(404)	(553)
Financing activities	(286)	(170)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(16)	(37)
Net change in cash, cash equivalents and restricted cash	$ 235	$ (306)

Net cash provided by operating activities was $942 million for the year ended March 31, 2025, compared to net cash provided by operating activities of $454 million for the year ended March 31, 2024, mainly due to higher earnings.

Net cash used in investing activities was $404 million for the year ended March 31, 2025, compared to a net cash use of $553 million for the year ended March 31, 2024, due to the sale of our SIS platform in Canada partially offset by our acquisition of Skytap.

Net cash used in financing activities totaled $286 million for the year ended March 31, 2025, compared to net cash used by financing activities of $170 million for the year ended March 31, 2024, mainly due to share repurchases of $94 million under the Company's share repurchase program.

Liquidity and Capital Resources

We believe that our existing cash and cash equivalents and our revolving credit agreement will be sufficient to meet our anticipated cash needs for at least the next twelve months.

Senior Unsecured Notes

In October 2021, in preparation for our Spin-off, we completed the offering of $2.4 billion in aggregate principal amount of senior unsecured fixed-rate notes as follows: $700 million aggregate principal amount of 2.05% Senior Notes due 2026, $500 million aggregate principal amount of 2.70% Senior Notes due 2028, $650 million aggregate principal amount of 3.15% Senior Notes due 2031 and $550 million aggregate principal amount of 4.10% Senior Notes due 2041 (the "Initial Notes"). The Initial Notes were offered and sold to qualified institutional buyers in reliance on Rule 144A under the Securities Act and to non-U.S. persons in reliance on Regulation S of the Securities Act. In connection with the issuance of the Initial Notes, we entered into a registration rights agreement with the purchasers of the Initial Notes, pursuant to which we completed a registered offering to exchange each series of Initial Notes for new notes with substantially identical terms during the quarter ended September 30, 2022.

In February 2024, we completed a registered offering of $500 million in aggregate principal amount of 6.35% senior unsecured notes due 2034 (the "2034 Notes"). We received proceeds of $494 million, net of debt issuance costs and discounts. The 2034 Notes are the Company's senior unsecured obligations and rank equally in right of payment with all of the Company's other existing and future senior unsecured indebtedness.

The Initial Notes and the 2034 Notes are subject to customary affirmative covenants, negative covenants and events of default for financings of this type and are redeemable at our option in a customary manner.

Revolving Credit Agreement

In October 2021, we entered into a $3.15 billion multi-currency revolving credit agreement (the "Revolving Credit Agreement"), which expires, unless extended, in October 2026. The Revolving Credit Agreement was amended in June 2023, replacing the London Interbank Offered Rate ("LIBOR") with the Secured Overnight Financing Rate ("SOFR"). In March 2025, we further amended the agreement, extending the maturity to March 2030. Interest rates on borrowings under the Revolving Credit Agreement will be based on prevailing market interest rates, plus a margin, as further described in the Revolving Credit Agreement.

The total facility fees recorded by the Company for the Revolving Credit Agreement were $5 million and $5 million for the years ended March 31, 2025 and 2024, respectively. As of March 31, 2025, there has been no drawdown on the Revolving Credit Agreement.

The Revolving Credit Agreement includes certain customary mandatory prepayment provisions. In addition, it includes customary events of default and affirmative and negative covenants as well as a maintenance covenant that will require that the ratio of our indebtedness for borrowed money to consolidated EBITDA (as defined in the Revolving Credit Agreement) for any period of four consecutive fiscal quarters be no greater than 3.50 to 1.00. The Company is in compliance with its debt covenants.

Transfers of Financial Assets

The Company has entered into arrangements with third-party financial institutions to sell certain financial assets (primarily trade receivables) without recourse. The Company has determined these are true sales. The carrying value of the financial asset sold is derecognized, and a net gain or loss on the sale is recognized, at the time of the transfer. The first agreement, which was executed in November 2021 and subsequently amended, enabled us to sell certain of our trade receivables to the counterparty. The initial term of this agreement was 18 months, and the agreement automatically resets to a term of 18 months after every six months, unless either party elects not to extend. This agreement was further amended during the quarter ended September 30, 2024 to reduce the committed facility limit from $1 billion to $600 million and to add an incremental uncommitted facility limit of $200 million that is subject to the counterparty's sole discretion to purchase such incremental amounts. The second agreement was executed in June 2022 with a separate third-party financial institution and renews automatically on its anniversary date, unless either party elects not to extend.

The net proceeds from these arrangements are reflected as cash provided by operating activities in the Consolidated Statement of Cash Flows. Gross proceeds from receivables sold to third parties under the aforementioned programs were $3.2 billion for the year ended March 31, 2025 and $3.6 billion for the year ended March 31, 2024. The fees associated with the transfers of receivables were $38 million for the year ended March 31, 2025 and $49 million for the year ended March 31, 2024.

Supplier Financing Program

In the year ended March 31, 2024, the Company initiated a supplier financing program with a third-party financial institution under which the Company agrees to pay the financial institution the stated amounts of invoices from participating suppliers on the originally invoiced due date, which have an average term of 90 to 120 days. The financial institution offers earlier payment of the invoices at the sole discretion of the supplier for a discounted amount. The Company does not provide secured legal assets or other forms of guarantees under the arrangements. The Company is not a party to the arrangement between its suppliers and the financial institution. The Company or the financial institution may terminate the agreement upon at least 180 days notice. The Company's obligations under this program continue to be recognized as accounts payable in the Consolidated Balance Sheet. The obligations outstanding under this program at March 31, 2025 and 2024 were immaterial.

Share Repurchase Program

In November 2024, the Company's Board of Directors authorized a share repurchase program of up to $300 million of the Company's common stock. Under the Share Repurchase Program, the Company may repurchase shares of its common stock from time to time in open market transactions and may also repurchase shares in accelerated share buyback programs, tender offers, privately negotiated transactions or by other means. Repurchases may also be made under a Rule 10b5-1 trading plan. The timing and amount of repurchase transactions will be determined by the Company's management based on its evaluation of market conditions, share price, legal requirements and other factors. The program does not have a set expiration date and may be suspended, modified or discontinued at any time without prior notice.

During the year ended March 31, 2025, the Company repurchased 2.6 million shares of its common stock at an aggregate cost of $94 million under the Share Repurchase Program. As of March 31, 2025, $206 million remained of our $300 million Share Repurchase Program authorization.

Off-Balance Sheet Arrangements and Contractual Obligations

From time to time, we may enter into (i) off-balance sheet arrangements as defined by SEC Financial Reporting Release 67 (FRR-67), "Disclosure in Management's Discussion and Analysis about Off-Balance Sheet Arrangements and Aggregate Contractual Obligations" or (ii) purchase commitments, which we expect to use in the ordinary course of business.

At March 31, 2025 and March 31, 2024, we had no such off-balance sheet arrangements that have, or are reasonably likely to have, a material current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources. We do not have retained interests in assets transferred to unconsolidated entities or other material off-balance sheet interests or instruments.

At March 31, 2025, the Company's material future contractual obligations were primarily related to leases, debt and pension liabilities. See Note 9 – Leases, Note 12 – Borrowings, Note 13 – Other Liabilities and Note 17 – Retirement-Related Benefits of Notes to the Company's consolidated financial statements. Additionally, the Company has contractual commitments that are noncancellable with certain software, hardware and cloud partners used in the delivery of services to customers. The Company has determined that these commitments may exceed the Company's needs over the next two to three years. If the Company is unable to satisfy, reduce or amend its contractual commitments, it will record the future charges for any payments related to excess commitments as cost of services. At March 31, 2025, we had short-term (April 2025 through March 2026), mid-term (April 2026 through March 2028) and long-term (April 2028 onward) purchase commitments in the amount of $0.2 billion, $0.6 billion and $0.1 billion, respectively.

Other Information

Signings

The following table presents the Company's signings for the years ended March 31, 2025, 2024 and 2023.

	Year Ended March 31,		
(Dollars in billions)	**2025**	**2024**	**2023**
Total signings	$ 18.2	$ 12.5	$ 12.2

Signings increased $5.7 billion, or 46%, in the year ended March 31, 2025 compared to the year ended March 31, 2024, driven by growth in each of our four operating segments. The Company's global signings growth spanned a broad range of industries and included a record 55 contracts valued in excess of $50 million. Signings increased by $332 million, or 3%, in the year ended March 31, 2024 compared to the year ended March 31, 2023.

Management uses signings as a tool to monitor the performance of the business including the business' ability to attract new customers and sell additional scope into our existing customer base. There are no third-party standards or requirements governing the calculation of signings. We define signings as an initial estimate of the value of a customer's commitment under a contract. The calculation involves estimates and judgments to gauge the extent of a customer's commitment, including the type and duration of the agreement and the presence of termination charges or wind-down costs. Contract extensions and increases in scope are treated as signings only to the extent of the incremental new value. Signings can vary over time due to a variety of factors including, but not limited to, the timing of signing a small number of larger outsourcing contracts as well as the length of those contracts. The conversion of signings into revenue may vary based on the types of services and solutions, customer decisions and other factors, which may include, but are not limited to, the macroeconomic environment or external events.

Critical Accounting Estimates

The application of U.S. GAAP requires us to make estimates and assumptions about certain items and future events that directly affect our reported financial condition. The accounting estimates and assumptions discussed in this section are those that we consider to be the most critical to our financial statements. Our significant accounting policies are described in Note 1 – Significant Accounting Policies to our consolidated financial statements.

A quantitative sensitivity analysis is provided where that information is reasonably available, can be reliably estimated and provides material information to investors. The amounts used to assess sensitivity (e.g., 10 percent, 25 basis points, etc.) are included to allow users of this report to understand a general effect of changes in the estimates and do not represent management's predictions of variability. For all of these estimates, it should be noted that future events rarely develop exactly as forecasted and estimates require regular review and adjustment.

Revenue Recognition

Application of GAAP related to the measurement and recognition of revenue requires us to make judgments and estimates. Specifically, complex arrangements with nonstandard terms and conditions may require significant contract interpretation to determine the appropriate accounting, including whether promised goods and services specified in an arrangement are separate performance obligations. In certain arrangements, revenue is recognized based on progress toward completion of the performance obligation using a cost-to-cost measure of progress. The estimation of future costs, which is updated as the project progresses, is complex and requires us to make judgments. Other significant judgments include determining whether we are acting as the principal in a transaction and whether separate contracts should be combined and considered part of one arrangement.

Revenue recognition is also impacted by our ability to determine when a contract is probable of collection and to estimate variable consideration, including, for example, rebates, price concessions, service-level penalties and performance bonuses. We consider various factors when making these judgments, including a review of specific transactions, historical experience and market and economic conditions. Evaluations are conducted each quarter to assess the adequacy of the estimates.

Costs to Complete Service Contracts

During the contractual period, revenue, cost and profits may be impacted by estimates of the ultimate profitability of each contract, especially contracts for which we use cost-to-cost method to measure progress. The Company performs ongoing profitability analyses of its design-and-build services contracts accounted for using a cost-to-cost measure of progress to determine whether the latest estimates of revenues, costs and profits require updating. If at any time these estimates indicate that the contract will be unprofitable on a gross-margin basis, the entire estimated loss for the remainder of the contract is recorded immediately. For other types of services contracts, any losses are recorded as incurred. Key factors reviewed to estimate the future costs to complete each contract are future labor costs, product costs and expected productivity efficiencies.

Capitalization of Contract Costs

In connection with services arrangements, we incur and capitalize direct costs for transition and setup activities performed at the inception of these long-term contracts that are necessary to enable us to perform under the terms of the arrangement. These costs are capitalized and are amortized on a straight-line basis over the expected period of benefit. We perform periodic reviews to assess the recoverability of deferred contract transition and setup costs. To assess recoverability, undiscounted estimated cash flows of the contract are projected over its remaining life and compared to the carrying amount of contract-related assets, including the unamortized deferred cost balance. Such estimates require judgment and assumptions, and actual future cash flows could differ from these estimates. A significant change in an estimate or assumption on one or more contracts could have a material effect on our results of operations.

Retirement-related Benefit Plan Assumptions

For Company-sponsored and co-sponsored defined benefit pension plans, the measurement of the benefit obligation to plan participants and net periodic benefit cost requires the use of certain assumptions, including, among others, estimates of discount rates and expected return on plan assets.

Changes in the discount rate assumptions would impact the actuarial (gain)/loss amortization, service cost and interest cost components of the net periodic benefit cost calculation and the projected benefit obligation (PBO). If the average discount rate assumption for the non-U.S. defined benefit pension plans had increased or decreased by 25-basis-points from 3.68% on March 31, 2025, this would not result in a material change to pretax net periodic benefit cost recognized in fiscal 2026. Further changes in the discount rate assumptions would impact the PBO which, in turn, may impact our funding decisions if the PBO exceeds plan assets. A 25-basis-point increase or decrease in the discount rate would result in an approximate corresponding decrease or increase, respectively, of approximately $38 million in the Plans' estimated PBO based upon March 31, 2025 data.

The expected long-term return on plan assets assumption is used in calculating the net periodic benefit cost. Expected returns on plan assets are calculated based on the market-related value of plan assets, which recognizes changes in the fair value of plan assets systematically over a five-year period in the expected return on plan assets line in net periodic benefit cost. The differences between the actual return on plan assets and the expected long-term return on plan assets are recognized over five years in the expected return on plan assets line in net periodic benefit cost and also as a component of actuarial (gains)/losses, which are recognized over the service lives or life expectancy of the participants, depending on the plan, provided such amounts exceed thresholds which are based upon the benefit obligation or the value of plan assets, as provided by accounting standards.

To the extent the outlook for long-term returns changes such that management changes its expected long-term return on plan assets assumption, a 25-basis-point increase or decrease in the expected long-term return on plan assets assumption would not have a material estimated decrease or increase on the following year's pretax net periodic benefit cost (based upon plan assets at March 31, 2025 and expected contributions and benefit payments for fiscal 2026).

We may voluntarily make contributions or be required, by law, to make contributions to our pension plans. Actual results that differ from the estimates may result in more or less future funding into the pension plans than is planned by management. Impacts of these types of changes on our pension plans would vary depending upon the status of each respective plan.

In addition to the above, we evaluate other pension assumptions involving demographic factors, such as retirement age and mortality and update these assumptions to reflect experience and expectations for the future. Actual results in any given year can differ from actuarial assumptions because of economic and other factors.

For additional information on our pension plans and the development of these assumptions, see Note 17 – Retirement-Related Benefits to our consolidated financial statements.

Income Taxes

Our income tax provisions are calculated based on Kyndryl's operating footprint, as well as our tax return elections and assertions. Liabilities related to unrecognized tax benefits for which the Company is liable are reported within the Consolidated Balance Sheet based upon tax authorities' ability to assert the Company may be the primary obligor for historical taxes, among other factors. Significant judgment is required in determining any valuation allowance recorded against deferred tax assets. In assessing the need for a valuation allowance, management considers all available evidence for each jurisdiction including past operating results, estimates of future taxable income and the feasibility of ongoing tax planning strategies and actions. In the event that we change our determination as to the amount of deferred tax assets that can be realized, we will adjust the valuation allowance with a corresponding impact to income tax expense in the period in which such determination is made.

Valuation of Assets

The application of valuation and impairment accounting requires the use of significant estimates and assumptions. Impairment testing for assets, other than goodwill, requires the allocation of cash flows to those assets or group of assets and if required, an estimate of fair value for the assets or group of assets. Our estimates are based upon assumptions believed to be reasonable, but which are inherently uncertain and unpredictable. These valuations require the use of management's assumptions, which would not reflect unanticipated events and circumstances that may occur. Assumptions used to perform a recoverability test are consistent with those used for goodwill impairment; see "Valuation of Goodwill" for further detail.

Valuation of Goodwill

We review goodwill for impairment annually and whenever events or changes in circumstances indicate the carrying value of goodwill may not be recoverable by first assessing qualitative factors to determine if it is more likely than not that fair value is less than carrying value.

We assess qualitative factors in each of our reporting units that carry goodwill including relevant events and circumstances that affect the fair value of reporting units. Examples include, but are not limited to, macroeconomic, industry and market conditions, as well as other individual factors such as:

- A significant adverse shift in the operating environment of the reporting unit such as unanticipated competition;
- Significant pending litigation;
- A more-likely-than-not expectation that a reporting unit or a significant portion of a reporting unit will be sold or otherwise disposed of; and
- A significant adverse action or assessment by a regulator.

We assess these qualitative factors to determine whether it is necessary to perform the quantitative goodwill impairment test. This quantitative test is required only if we conclude that it is more likely than not that a reporting unit's fair value is less than its carrying amount.

In conjunction with our annual review of goodwill for impairment, we prepared qualitative analysis as of January 1, 2025. Based on this analysis of the qualitative factors, quantitative tests were not required. See Note 11 – Intangible Assets Including Goodwill for further discussion.

Loss Contingencies

We are currently involved in various claims and legal proceedings. At least quarterly, we review the status of each significant matter and assess our potential financial exposure. If the potential loss from any claim or legal proceeding is considered probable and the amount can be reasonably estimated, we accrue a liability for the estimated loss. Significant judgment is required in both the determination of probability and the determination as to whether an exposure is reasonably estimable. Because of uncertainties related to these matters, accruals are based only on the best information available at the time. As additional information becomes available, we reassess the potential liability related to our pending claims and litigation and may revise our estimates. These revisions in the estimates of the potential liabilities could have a material impact on our results of operations and financial position.

Change in Accounting Estimate

In March 2024, the Company completed its assessment of the useful lives of its information technology equipment. Based on our usage experience and data analysis, the Company determined it should increase the estimated useful lives of its information technology equipment from five to six years. This change in accounting estimate became effective on April 1, 2024. Based on the carrying amount of information technology equipment included in property and equipment, net as of March 31, 2024, the effect of this change in estimate was a reduction in depreciation expense and an improvement of income before income taxes of approximately $180 million, or $0.80 before income taxes per basic share and $0.77 before income taxes per diluted share, for the year ended March 31, 2025.

Cautionary Note Regarding Forward-Looking Statements

This report contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact included in this report, including statements concerning the Company's plans, objectives, goals, beliefs, business strategies, future events, business condition, results of operations, financial position, business outlook and business trends and other non-historical statements in this report are forward-looking statements. Such forward-looking statements often contain words such as "aim," "anticipate," "believe," "could," "estimate," "expect," "forecast," "intend," "may," "objectives," "opportunity," "plan," "position," "predict," "project," "should," "seek," "target," "will," "would," and other similar words or expressions or the negative thereof or other variations thereon. Forward-looking statements are based on the Company's current assumptions and beliefs regarding future business and financial performance. The Company's actual business, financial condition or results of operations may differ materially from those suggested by forward-looking statements as a result of risks and uncertainties which include, among others:

- failure to attract new customers, retain existing customers or sell additional services to customers;
- failure to meet growth and productivity objectives and maintain our capital allocation strategy;
- competition;
- impacts of relationships with critical suppliers and partners;
- failure to address and adapt to technological developments and trends;
- inability to attract and retain key personnel and other skilled employees;
- impact of economic, geopolitical, public health and other conditions;
- damage to the Company's reputation;
- inability to accurately estimate the cost of services and the timeline for completion of contracts;
- service delivery issues;
- the Company's ability to successfully manage acquisitions and dispositions, including integration challenges, failure to achieve objectives, the assumption of liabilities and higher debt levels;
- the impact of our business with foreign, state and local government customers;
- failure of the Company's intellectual property rights to prevent competitive offerings and the failure of the Company to obtain, retain and extend necessary licenses;
- the impairment of our goodwill or long-lived assets;
- risks relating to cybersecurity, data governance and privacy;
- risks relating to non-compliance with legal and regulatory requirements;
- adverse effects from tax matters and environmental matters;
- legal proceedings and investigatory risks and potential indemnification obligations;
- impact of changes in market liquidity conditions and customer credit risk on receivables;
- the Company's pension plans;
- the impact of currency fluctuations; and
- risks related to the Company's common stock and the securities market.

Additional risks and uncertainties include, among others, those risks and uncertainties described in the "Risk Factors" section of this report, as such factors may be updated from time to time in the Company's subsequent filings with the SEC. Any forward-looking statement in this report speaks only as of the date on which it is made. Except as required by law, the Company assumes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

Currency Rate Fluctuations

Changes in the relative values of non-U.S. currencies to the U.S. dollar affect our financial results and financial position. At March 31, 2025, currency changes resulted in assets and liabilities denominated in local currencies being translated into fewer dollars than the prior year. At March 31, 2024, currency changes resulted in assets and liabilities denominated in local currencies being translated into fewer dollars than the prior year. During periods of sustained

movements in currency, the marketplace and competition adjust to the changing rates. Large changes in currency exchange rates relative to our functional currencies could increase the costs of our services to customers relative to local competitors, thereby causing us to lose existing or potential customers. Currency movements impacted our year-to-year revenue growth. Based on the currency rate movements in the year ended March 31, 2025, total revenue decreased 6 percent as reported and 4 percent in constant currency versus the year ended March 31, 2024. For non-U.S. subsidiaries and branches that operate in U.S. dollars or whose economic environment is highly inflationary, translation adjustments are reflected in results of operations. Generally, we manage currency risk in these entities by linking prices and contracts to U.S. dollars.

Market Risk

In the normal course of business, our financial position is routinely subject to a variety of risks. In addition to the market risk associated with non-U.S. dollar denominated assets and liabilities, another example of risk is the collectability of accounts receivable. We regularly assess these risks and have established policies and business practices to protect against the adverse effects of these and other potential exposures. As a result, we do not anticipate any material losses from these risks.

To meet disclosure requirements, we perform a sensitivity analysis to determine the effects that market risk exposures may have on the fair values of our financial assets. The financial instruments that are included in the sensitivity analysis are comprised of our cash and cash equivalents, debt obligations, and derivative instruments.

To perform the sensitivity analysis, we assess the risk of loss in fair values from the effect of hypothetical changes in interest rates and currency exchange rates on market-sensitive instruments. The market values for interest and currency exchange risk are computed based on the present value of future cash flows as affected by the changes in rates that are attributable to the market risk being measured. The discount rates used for the present value computations were selected based on market interest and foreign currency exchange rates in effect at March 31, 2025 and 2024. The differences in this comparison are the hypothetical losses associated with each type of risk.

Information provided by the sensitivity analysis does not necessarily represent the actual changes in fair value that we would incur under normal market conditions because, due to practical limitations, all variables other than the specific market risk factor are held constant. In addition, the results of the model are constrained by the fact that certain items are specifically excluded from the analysis, while the financial instruments relating to the financing or hedging of those items are included by definition.

The results of the sensitivity analysis at March 31, 2025 and 2024 are as follows:

Interest Rate Risk

Our exposure to market risk for changes in interest rates relates primarily to our fixed-rate and variable-rate debt obligations (See Note 12 – Borrowings in the accompanying Consolidated Financial Statements). A hypothetical 10 percent adverse change in the levels of interest rates, with all other variables held constant, would result in a $20 million and a $22 million impact in the fair value of our financial instruments at March 31, 2025 and 2024, respectively. A hypothetical 10 percent adverse change in the levels of interest rates would not be material to our consolidated results of operations or cash flow.

Currency Exchange Rate Risk

A hypothetical 10 percent adverse change in the levels of currency exchange rates relative to the U.S. dollar, with all other variables held constant, would result in a $26 million and a $154 million impact in the fair value of our financial instruments, primarily our cash, debt and derivatives, at March 31, 2025 and 2024, respectively.

Item 8. Financial Statements and Supplementary Data.

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Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of Kyndryl Holdings, Inc.

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheet of Kyndryl Holdings, Inc. and its subsidiaries (the "Company") as of March 31, 2025 and 2024, and the related consolidated statements of income, of comprehensive income (loss), of equity and of cash flows for each of the three years in the period ended March 31, 2025, including the related notes (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of March 31, 2025, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of March 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended March 31, 2025 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of March 31, 2025, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the COSO.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Report on Internal Control over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the

transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Revenue Recognition for Certain Services

As described in Notes 1 and 3 to the consolidated financial statements, the Company recorded total revenues of $15,057 million for the year ended March 31, 2025, of which a majority relates to services that are single performance obligations comprised of a series of distinct services. The Company offers services such as cloud managed services, application hosting and modernization, security and resiliency services, enterprise infrastructure services, digital workplace services, network services and distributed cloud services to support its customers through technological change. Revenue is recognized when, or as, control of a promised service transfers to a client, in an amount that reflects the consideration to which management expects to be entitled in exchange for transferring those services. If the consideration promised in a contract includes a variable amount, management estimates the amount to which it expects to be entitled using either the expected value or most likely amount method.

The principal consideration for our determination that performing procedures relating to revenue recognition for certain services is a critical audit matter is a high degree of auditor effort in performing procedures related to the Company's revenue recognition.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to the revenue recognition process. These procedures also included, among others (i) evaluating the Company's accounting policies related to the recognition of revenue for services; (ii) testing revenue recognized for a sample of certain services revenue transactions by obtaining and inspecting source documents such as master services agreements, individual statements of work, invoices, and cash receipts; and (iii) confirming, on a sample basis, outstanding customer invoice balances as of year-end and, for confirmations not returned, obtaining and inspecting source documents, such as invoices and subsequent cash receipts, where applicable.

/s/ PricewaterhouseCoopers LLP
New York, New York
May 30, 2025

We have served as the Company's auditor since 2020.

KYNDRYL HOLDINGS, INC.
CONSOLIDATED INCOME STATEMENT
(In millions, except per share amounts)

	Notes	Year Ended March 31, 2025	2024	2023
Revenues *	3	$ 15,057	$ 16,052	$ 17,026
Cost of services †	3	$ 11,914	$ 13,189	$ 14,498
Selling, general and administrative expenses		2,591	2,773	2,914
Workforce rebalancing charges	19	114	138	71
Transaction-related costs (benefits)		(125)	(46)	264
Interest expense	12	100	122	94
Other expense		27	45	35
Total costs and expenses		$ 14,622	$ 16,221	$ 17,876
Income (loss) before income taxes		$ 435	$ (168)	$ (851)
Provision for income taxes	5	$ 184	$ 172	$ 524
Net income (loss)		$ 252	$ (340)	$ (1,374)
Basic earnings (loss) per share	6	$ 1.09	$ (1.48)	$ (6.06)
Diluted earnings (loss) per share		1.05	(1.48)	(6.06)
Weighted-average basic shares outstanding	6	231.5	229.2	226.7
Weighted-average diluted shares outstanding		239.1	229.2	226.7

* Including related-party revenue of $287 for the year ended March 31, 2023
† Including related-party cost of service of $1,382 for the year ended March 31, 2023

The accompanying notes are an integral part of the financial statements.

KYNDRYL HOLDINGS, INC.
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (LOSS)
(Dollars in millions)

	Year Ended March 31,		
	2025	2024	2023
Net income (loss)	$ 252	$ (340)	$ (1,374)
Other comprehensive income (loss), before tax:			
Foreign currency translation adjustments:			
Foreign currency translation adjustments	(50)	(36)	(186)
Unrealized gains (losses) on net investment hedges	4	(11)	—
Total foreign currency translation adjustments	(46)	(47)	(186)
Unrealized gains (losses) on cash flow hedges:			
Unrealized gains (losses) arising during the period	(14)	22	(4)
Reclassification of (gains) losses to net income	11	(21)	2
Total unrealized gains (losses) on cash flow hedges	(2)	1	(3)
Retirement-related benefit plans:			
Prior service costs (credits)	2	(3)	4
Net gains (losses) arising during the period	17	(56)	175
Curtailments and settlements	7	10	10
Amortization of prior service (credits) costs	—	1	1
Amortization of net (gains) losses	16	5	40
Total retirement-related benefit plans	42	(42)	229
Other comprehensive income (loss), before tax	(6)	(88)	40
Income tax (expense) benefit related to items of other comprehensive income (loss)	(10)	6	(14)
Other comprehensive income (loss), net of tax	(16)	(82)	27
Total comprehensive income (loss)	$ 236	$ (423)	$ (1,347)

The accompanying notes are an integral part of the financial statements.

KYNDRYL HOLDINGS, INC.
CONSOLIDATED BALANCE SHEET
(In millions, except per share amounts)

	Notes	March 31, 2025	March 31, 2024
Assets:			
Current assets:			
Cash and cash equivalents		$ 1,786	$ 1,553
Restricted cash		3	1
Accounts receivable (net of allowances for credit losses of $13 at March 31, 2025 and $22 at March 31, 2024)		1,345	1,599
Deferred costs (current portion)	3	1,009	1,081
Prepaid expenses and other current assets		446	514
Total current assets		$ 4,589	$ 4,747
Property and equipment, net	8	$ 2,570	$ 2,674
Operating right-of-use assets, net	9	731	864
Deferred costs (noncurrent portion)	3	1,040	920
Deferred taxes	5	204	220
Goodwill	11	790	805
Intangible assets, net	11	218	188
Pension assets	17	148	105
Other noncurrent assets		162	67
Total assets		$ 10,452	$ 10,590
Liabilities:			
Current liabilities:			
Accounts payable		$ 1,351	$ 1,408
Value-added tax and income tax liabilities		256	327
Current portion of long-term debt	12	129	126
Accrued compensation and benefits		652	609
Deferred income (current portion)	3	746	825
Operating lease liabilities (current portion)	9	274	285
Accrued contract costs		437	487
Other accrued expenses and liabilities	13	454	521
Total current liabilities		$ 4,300	$ 4,589
Long-term debt	12	$ 3,042	$ 3,112
Retirement and nonpension postretirement benefit obligations	17	483	500
Deferred income (noncurrent portion)	3	341	314
Operating lease liabilities (noncurrent portion)	9	511	622
Other noncurrent liabilities	13	443	332
Total liabilities		$ 9,121	$ 9,468
Commitments and contingencies	14		
Equity:			
Stockholders' equity	15		
Common stock, par value $0.01 per share, and additional paid-in capital (shares authorized: 1,000.0; shares issued: March 31, 2025 – 238.2, March 31, 2024 – 233.7)		$ 4,631	$ 4,524
Accumulated deficit		(2,067)	(2,319)
Treasury stock, at cost (shares: March 31, 2025 – 7.5, March 31, 2024 – 3.3)		(184)	(45)
Accumulated other comprehensive income (loss)		(1,160)	(1,145)
Total stockholders' equity before non-controlling interests		$ 1,219	$ 1,015
Non-controlling interests		113	107
Total equity		$ 1,331	$ 1,122
Total liabilities and equity		$ 10,452	$ 10,590

The accompanying notes are an integral part of the financial statements.

KYNDRYL HOLDINGS, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
(Dollars in millions)

	Year Ended March 31,		
	2025	2024	2023
Cash flows from operating activities:			
Net income (loss)	$ 252	$ (340)	$ (1,374)
Adjustments to reconcile net income (loss) to cash provided by operating activities:			
Depreciation and amortization:			
Depreciation of property, equipment and capitalized software	660	834	900
Depreciation of right-of-use assets	327	319	428
Amortization of transition costs and prepaid software	1,278	1,256	1,199
Amortization of capitalized contract costs	420	531	472
Amortization of acquisition-related intangible assets	30	30	46
Stock-based compensation	100	95	113
Deferred taxes	(1)	(13)	285
Net (gain) loss on asset sales and other	(152)	43	6
Change in operating assets and liabilities:			
Deferred costs (excluding amortization)	(1,762)	(1,569)	(1,592)
Right-of-use assets and liabilities (excluding depreciation)	(314)	(335)	(361)
Workforce rebalancing liabilities	(25)	(38)	41
Receivables	289	11	664
Accounts payable	(89)	(305)	282
Taxes	(1)	(2)	90
Other assets and other liabilities	(71)	(63)	(415)
Net cash provided by operating activities	$ 942	$ 454	$ 781
Cash flows from investing activities:			
Capital expenditures	$ (605)	$ (651)	$ (865)
Proceeds from disposition of property and equipment	83	138	23
Acquisitions and divestitures, net of cash acquired	139	—	—
Other investing activities, net	(20)	(40)	7
Net cash used in investing activities	$ (404)	$ (553)	$ (835)
Cash flows from financing activities:			
Debt repayments	$ (148)	$ (644)	$ (118)
Proceeds from issuance of debt, net of debt issuance costs	—	494	—
Common stock repurchases	(93)	—	—
Common stock repurchases for tax withholdings	(45)	(22)	(19)
Other financing activities, net	—	2	(4)
Net cash used in financing activities	$ (286)	$ (170)	$ (141)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	$ (16)	$ (37)	$ (100)
Net change in cash, cash equivalents and restricted cash	$ 235	$ (306)	$ (294)
Cash, cash equivalents and restricted cash at beginning of period	$ 1,554	$ 1,860	$ 2,154
Cash, cash equivalents and restricted cash at end of period	$ 1,789	$ 1,554	$ 1,860
Supplemental data			
Income taxes paid, net of refunds received	$ 149	$ 191	$ 167
Interest paid on debt	$ 119	$ 118	$ 98

The accompanying notes are an integral part of the financial statements.

KYNDRYL HOLDINGS, INC.
CONSOLIDATED STATEMENT OF EQUITY
(In millions)

	Common Stock and Additional Paid-In Capital		Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Accumulated Deficit	Non-Controlling Interests	Total Equity
	Shares	Amount					
Equity - March 31, 2022	224.5	$ 4,315	$ (1,089)	$ (4)	$ (605)	$ 94	$ 2,711
Net income (loss)					(1,374)		(1,374)
Other comprehensive income (loss), net of tax			27				27
Activity related to employee stock plans	4.8	113					113
Purchases of treasury stock	(1.7)			(19)			(19)
Changes in non-controlling interests						4	4
Equity – March 31, 2023	227.7	$ 4,428	$ (1,062)	$ (23)	$ (1,978)	$ 97	$ 1,462
Net income (loss)					(340)		(340)
Other comprehensive income (loss), net of tax			(82)				(82)
Activity related to employee stock plans	4.1	95					95
Purchases of treasury stock	(1.4)			(22)			(22)
Changes in non-controlling interests						10	10
Equity – March 31, 2024	230.4	$ 4,524	$ (1,145)	$ (45)	$ (2,319)	$ 107	$ 1,122
Net income (loss)					252		252
Other comprehensive income (loss), net of tax			(16)				(16)
Activity related to employee stock plans	4.5	107					107
Purchases of treasury stock	(4.2)			(139)			(139)
Changes in non-controlling interests						6	6
Equity – March 31, 2025	230.6	$ 4,631	$ (1,160)	$ (184)	$ (2,067)	$ 113	$ 1,331

The accompanying notes are an integral part of the financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES

Kyndryl Holdings, Inc. (“we”, “the Company” or “Kyndryl”) is a leading provider of mission-critical enterprise technology services offering advisory, implementation and managed service capabilities to thousands of customers in more than 60 countries. As the world’s largest IT infrastructure services provider, the Company designs, builds, manages and modernizes the complex information systems that the world depends on every day.

Description of Business

Our purpose is to design, build and manage secure and responsive private, public and multi-cloud environments to serve our customers’ needs and accelerate their digital transformations. We have a long track record of helping enterprises navigate major technological changes, particularly by enabling our customers to focus on the core aspects of their businesses during these shifts while trusting us with their most critical systems.

We provide engineering talent, operating solutions and insights derived from our knowledge and data around IT systems. This enables us to deliver advisory, implementation and managed services at scale across technology infrastructures that allow our customers to de-risk and realize the full value of their digital transformations. We do this while embracing new technologies and solutions and continually expanding our skills and capabilities, as we help advance the vital systems that power progress for our customers. We deliver technology services capabilities, insights and depth of expertise to modernize and manage IT environments based on our customers’ unique needs. We offer services across domains such as cloud services, core enterprise and zCloud services, applications, data and artificial intelligence services, digital workplace services, security and resiliency services and network and edge services as we continue to support our customers through technological change. Our services enable us to modernize and manage cloud and on-premises environments as “one” for our customers, enabling them to scale seamlessly. To deliver these services, we rely on our global team of skilled practitioners.

Kyndryl’s History

Prior to November 3, 2021, the Company was wholly owned by International Business Machines Corporation (“IBM” or “former Parent”). In November 2021, our former Parent effected the spin-off (the “Separation” or the “Spin-off”) of the infrastructure services unit of its Global Technology Services segment through the distribution to IBM stockholders of shares of Kyndryl’s common stock representing 80.1% of total shares outstanding. Kyndryl’s stock began trading as an independent company on November 4, 2021, and IBM disposed of its 19.9% retained interest in Kyndryl common stock in the year following the Spin-off. In connection with the Separation, the Company entered into several agreements with IBM governing the relationship of the parties following the Separation.

Basis of Presentation

We prepare our consolidated financial statements in accordance with Generally Accepted Accounting Principles in the United States (“U.S. GAAP”), which requires us to make estimates and assumptions that impact the amounts reported and disclosed in our consolidated financial statements and the accompanying notes. We prepared these estimates based on the most current and best available information, but actual results could differ materially from these estimates and assumptions.

Principles of Consolidation

All significant transactions and intercompany accounts between Kyndryl entities were eliminated. Within the financial statements and tables presented, certain columns and rows may not add due to the use of rounded numbers for disclosure purposes. Percentages presented are calculated from the underlying whole-dollar amounts. Certain items have been recast to conform to current-period presentation.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect amounts that are reported in the consolidated financial statements and accompanying disclosures. Estimates are used in determining the following, among others: revenue, costs to complete service contracts, income taxes, pension assumptions, valuation of assets including goodwill and intangible assets, the depreciable and amortizable lives of long-lived assets, loss contingencies, allowance for credit losses, deferred transition costs and other matters. Actual results may be different from these estimates.

Revenue

The Company accounts for a contract with a client when it has written approval, the contract is committed, the rights of the parties, including payment terms, are identified, the contract has commercial substance and consideration is probable of collection.

Revenue is recognized when, or as, control of a promised service or product transfers to a client, in an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring those products or services. If the consideration promised in a contract includes a variable amount, the Company estimates the amount to which it expects to be entitled using either the expected value or most likely amount method. The Company's contracts may include terms that could cause variability in the transaction price, including, for example, rebates, volume discounts, service-level penalties and performance bonuses or other forms of variable consideration. In certain rare circumstances, if we grant the customer the right to return a product and receive a full or partial credit or refund of any consideration paid, the Company (i) recognizes revenue for the transferred products in the amount of consideration to which it expects to be entitled, (ii) records a refund liability and (iii) recognizes an asset for its right to recover products from customers on settling the refund liability.

The Company only includes estimated amounts in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved. The Company may not be able to reliably estimate variable consideration in certain long-term arrangements due to uncertainties that are not expected to be resolved for a long period of time or when the Company's experience with similar types of contracts is limited. Changes in estimates of variable consideration are included in Note 3 – Revenue Recognition.

The Company's standard billing terms are that payment is due upon receipt of invoice, payable within 30 days. Invoices are generally issued as services are rendered and/or as control transfers, either at monthly or quarterly intervals or upon achievement of contractual milestones. In some services contracts, the Company bills the client prior to recognizing revenue from performing the services. In these cases, deferred income is presented in the Consolidated Balance Sheet. In other services contracts, the Company performs the services prior to billing the client. When the Company performs services prior to billing the client, the right to consideration is typically subject to milestone completion or client acceptance, and the amount is recorded as a contract asset. Contract assets are generally classified as current and are recorded on a net basis with deferred income (i.e., contract liabilities) at the contract level. The Company's rights to consideration are presented separately depending on whether those rights are conditional or unconditional. Conditional contract assets are included in prepaid expenses and other current assets in the Consolidated Balance Sheet. Unconditional contract assets ("unbilled accounts receivable") are included in accounts receivable in the Consolidated Balance Sheet. Refer to Note 3 – Revenue Recognition for contract assets for the periods presented.

Additionally, in determining the transaction price, the Company would adjust the promised amount of consideration for the effects of the time value of money if the billing terms are not standard and the timing of payments agreed to by the parties to the contract provide the client or the Company with a significant benefit of financing, in which case the contract contains a significant financing component. As a practical expedient, the Company does not account for significant financing components if the period between when the Company transfers the promised product or service to the client and when the client pays for that product or service will be one year or less.

The Company may include subcontractor services or original equipment manufacturer (OEM) hardware and/or OEM software components in certain integrated services arrangements. In these types of arrangements, revenue from sales of OEM hardware and/or OEM software components or services is recorded net of costs when the Company is acting as an agent between the client and the vendor and gross when the Company is the principal for the transaction. To determine whether the Company is an agent or principal, the Company considers whether it obtains control of the products or services before they are transferred to the customer. In making this evaluation, several factors are considered, most notably whether the Company has primary responsibility for fulfillment to the client, as well as inventory risk and pricing discretion.

The Company reports revenue net of any revenue-based taxes assessed by governmental authorities that are imposed on and concurrent with specific revenue-producing transactions.

Performance Obligations

The Company's capabilities as an infrastructure services company include offerings that often encompass multiple types of services and may integrate various OEM hardware and/or OEM software components. When an arrangement contains multiple separate performance obligations, revenue follows the specific revenue recognition policies for each performance obligation, depending on the type of offering. The Company determines if the products or services are distinct and allocates the consideration to each separate performance obligation on a relative standalone selling price basis. When products and services are not distinct, the Company determines an appropriate measure of progress based on the nature of its overall promise for the single performance obligation.

The revenue policies below are applied to each performance obligation, as applicable.

Standalone Selling Price

The Company allocates the transaction price to each performance obligation on a relative standalone selling price basis. The standalone selling price (SSP) is the price at which the Company would sell a promised product or service separately to a client. The Company establishes SSP based on management's estimated selling price or observable prices of products or services sold separately in comparable circumstances to similar clients. For OEM hardware and/or OEM software components, the Company is able to establish SSP based on the cost from the vendor. The Company reassesses SSP ranges on a periodic basis or when facts and circumstances change.

In certain instances, the Company may not be able to establish an SSP range based on observable prices and the Company estimates SSP. The Company estimates SSP by considering multiple factors including, but not limited to, overall market conditions, including geographic or regional specific factors, competitive positioning, competitor actions, internal costs, profit objectives and pricing practices. Estimating SSP is a formal process that includes review and approval by the Company's management.

Nature of Products and Services

The Company delivers transformation and secure cloud services capabilities, insights and depth of expertise to modernize and manage IT environments based on its customers' needs. The Company offers services such as cloud managed services, application hosting and modernization, security and resiliency services, enterprise infrastructure services, digital workplace services, network services and distributed cloud services to support its customers through technological change. Many of these services can be delivered entirely or partially through cloud or as-a-service delivery models. The Company's services are provided on a time-and-material basis, as a fixed-price contract or as a fixed-price-per-measure-of-output contract, and the contract terms range from less than one year to over 10 years. The Company typically satisfies the performance obligation and recognizes revenue over time in services arrangements because the client simultaneously receives and consumes the benefits provided as the Company performs the services.

In outsourcing, other managed services, application management and other cloud-based services arrangements, the Company determines whether the services performed during the initial phases of the arrangement, such as setup activities, are distinct. In most cases, the arrangement is a single performance obligation comprised of a series of distinct

services that are substantially the same and that have the same pattern of transfer (i.e., distinct days of service). The Company applies a measure of progress (typically time-based) to any fixed consideration and allocates variable consideration to the distinct periods of service based on usage. As a result, revenue is generally recognized over the period the services are provided on a usage basis. This results in revenue recognition that corresponds with the value to the client of the services transferred to date relative to the remaining services promised.

Revenue from time-and-material contracts is recognized on an output basis as labor hours are delivered and/or direct expenses are incurred. Revenue from as-a-service type contracts is recognized either on a straight-line basis or on a usage basis, depending on the terms of the arrangement (such as whether the Company is standing ready to perform or whether the contract has usage-based metrics). If an as-a-service contract includes setup activities, those promises in the arrangement are evaluated to determine if they are distinct.

In design and build arrangements, revenue is recognized based on progress toward completion of the performance obligation using a cost-to-cost measure of progress (e.g., labor costs incurred to date as a percentage of the total estimated labor costs to fulfill the contract). The estimation of cost at completion is complex, subject to many variables and requires significant judgment. Changes in original estimates are reflected in revenue on a cumulative catch-up basis in the period in which the circumstances that gave rise to the revision become known by the Company. Refer to Note 3 – Revenue Recognition for the amount of revenue recognized in the reporting period on a cumulative catch-up basis (i.e., from performance obligations satisfied, or partially satisfied, in previous periods).

The Company performs ongoing profitability analyses of its design and build services contracts accounted for using a cost-to-cost measure of progress to determine whether the latest estimates of revenues, costs and profits require updating. If at any time these estimates indicate that the contract will be unprofitable, the entire estimated loss for the remainder of the contract is recorded immediately. For other types of services contracts, any losses are recorded as incurred.

The Company's services offerings may include the integration and/or sale of OEM hardware and/or software components. Contracts that include hardware and/or software components are evaluated to determine if they are separate performance obligations as discussed in "Performance Obligations" above. For distinct OEM hardware sales, revenue is recognized when control has transferred to the customer, which typically occurs when the hardware has been shipped to the client, risk of loss has transferred to the client and the Company has a present right to payment for the hardware.

Cost of Services

Recurring operating costs for services contracts are recognized as incurred. Certain eligible, nonrecurring costs (i.e., setup costs) incurred in the initial phases of outsourcing contracts and other cloud-based services contracts, are capitalized when the costs relate directly to the contract, the costs generate or enhance resources of the Company that will be used in satisfying the performance obligation in the future and the costs are expected to be recovered. These costs consist of transition and setup costs related to the installation of systems and processes and other deferred fulfillment costs, including, for example, prepaid assets used in services contracts (i.e., prepaid software or prepaid maintenance). Capitalized costs are amortized on a straight-line basis over the expected period of benefit, which approximates the pattern of transfer to the client of the services to which the asset relates and includes anticipated contract renewals or extensions. Additionally, fixed assets associated with these contracts are capitalized and depreciated on a straight-line basis over the expected useful life of the asset and recorded in cost of sales. If an asset is contract-specific and cannot be repurposed, then the depreciation period is the shorter of the useful life of the asset or the contract term. The Company performs periodic reviews to assess the recoverability of deferred contract transition and setup costs. If the carrying amount is deemed not recoverable, an impairment loss is recognized. Refer to Note 3 – Revenue Recognition for the deferred costs to fulfill contracts for the periods presented.

In situations in which an outsourcing contract is terminated, the terms of the contract may require the client to reimburse the Company for the recovery of unbilled accounts receivable, unamortized deferred contract costs and additional costs incurred by the Company to transition the services.

Incremental Costs of Obtaining a Contract

Incremental costs of obtaining a contract (e.g., sales commissions) are capitalized and amortized on a straight-line basis, which approximates the pattern that the assets' economic benefits are expected to be consumed, over the expected customer relationship period if the Company expects to recover those costs. The expected customer relationship period is determined based on the average customer relationship period, including expected renewals, for each offering type and ranges from three to six years. Expected renewal periods are only included in the expected customer relationship period if commission amounts paid upon renewal are not commensurate with amounts paid on the initial contract. Incremental costs of obtaining a contract include only those costs the Company incurs to obtain a contract that it would not have incurred if the contract had not been obtained. The Company has determined that certain commissions programs meet the requirements to be capitalized. For contracts shorter than one year, the Company has elected the practical expedient to recognize sales commissions as incurred. Additionally, some commission programs are not subject to capitalization as the revenue for services is received over time and the commission expense is paid and recognized as the related revenue is recognized. Refer to Note 3 – Revenue Recognition for capitalized costs to obtain contracts for the periods presented.

Expense and Other (Income)

Selling, General and Administrative Expenses

Selling, general and administrative expense ("SG&A") is charged to income as incurred, except for certain sales commissions, which are capitalized and amortized. For further information regarding capitalizing sales commissions, see "Incremental Costs of Obtaining a Contract" above. Expenses of promoting and selling services are classified as selling expense and, in addition to sales commissions, include such items as compensation, advertising and travel. General and administrative expense includes such items as compensation, legal costs, office supplies, non-income taxes, insurance and office rental. In addition, general and administrative expense includes other operating items such as allowance for credit losses, amortization of certain intangible assets and research, development and engineering ("RD&E") costs. Total RD&E costs were $49 million, $58 million, and $79 million for the years ended March 31, 2025, 2024 and 2023, respectively.

Advertising and promotional costs are expensed as incurred. Advertising and promotional expense, which includes media, agency and promotional expense directly incurred by the Company was $83 million, $115 million, and $136 million for the years ended March 31, 2025, 2024 and 2023, respectively. Costs related to the initial establishment of the Kyndryl brand are recorded in Transaction-related costs in the Consolidated Income Statement. All other advertising and promotional costs are recorded in SG&A in the Consolidated Income Statement.

Other Expense

Other expense primarily consists of (income) and expense related to certain components of retirement-related costs, including interest costs, expected return on plan assets, amortization of prior service costs (credits), curtailments and settlements and other net periodic benefit costs. Also included are gains and losses from foreign currency transactions.

Defined Benefit Pension and Nonpension Postretirement Benefit Plans

For defined benefit pension plans, the benefit obligation is the projected benefit obligation (PBO), which represents the actuarial present value of benefits expected to be paid upon retirement based on employee services already rendered and estimated future compensation levels. For nonpension postretirement benefit plans, the benefit obligation is the accumulated postretirement benefit obligation (APBO), which represents the actuarial present value of postretirement benefits attributed to employee services already rendered. The fair value of plan assets represents the current market value of assets held for the benefit of participants. For co-sponsored plans, the fair value of plan assets based on Company contributions, distributions and market returns and the benefit obligation attributed to employees of the Company are allocated to Kyndryl.

Overfunded plans, in which the fair value of plan assets exceeds the benefit obligation, are aggregated, and recorded in pension assets in the Consolidated Balance Sheet. Underfunded plans, in which the benefit obligation exceeds the fair value of plan assets, are aggregated and the noncurrent portion of this excess is recorded in retirement and nonpension postretirement benefit obligations in the Consolidated Balance Sheet. The current portion of the benefit obligation in excess of the fair value of plan assets represents the actuarial present value of benefits payable in the next twelve months, measured on a plan-by-plan basis. The current portion of this obligation is recorded in accrued compensation and benefits in the Consolidated Balance Sheet.

Net periodic benefit cost of defined benefit pension and nonpension postretirement benefit plans is recorded in the Consolidated Income Statement and includes service cost, interest cost, expected return on plan assets, amortization of prior service costs (credits) and actuarial (gains) losses previously recognized as a component of other comprehensive income (loss) ("OCI"). The service cost component of net benefit cost is recorded in Cost of services and SG&A in the Consolidated Income Statement (unless eligible for capitalization) based on the employees' respective functions. The other components of net benefit cost are presented separately from service cost within other expense in the Consolidated Income Statement.

Actuarial (gains) losses and prior service costs (credits) are recognized as a component of OCI in the Consolidated Statement of Comprehensive Income (Loss) as they arise. Those actuarial (gains) losses and prior service costs (credits) are subsequently recognized as a component of net periodic benefit cost pursuant to the recognition and amortization provisions of applicable accounting guidance. Actuarial (gains) losses arise as a result of differences between actual experience and assumptions or as a result of changes in actuarial assumptions. Prior service costs (credits) represent the cost of benefit changes attributable to prior service granted in plan amendments.

The measurement of benefit obligations and net periodic benefit cost is based on estimates and assumptions approved by the Company's management. These valuations reflect the terms of the plans and use participant-specific information such as compensation, age and years of service, as well as certain assumptions, including estimates of discount rates, expected return on plan assets, rate of compensation increases, interest crediting rates and mortality rates.

The Company participates in non-U.S. multi-employer pension plans and makes required contributions to those plans, which are recorded in Cost of services and SG&A in the Consolidated Income Statement based on the employees' respective functions.

Defined Contribution Plans

Prior to the Separation, the former Parent offered various defined contribution plans for U.S. and non-U.S. employees. In September 2021, in preparation for the Separation, Kyndryl established standalone defined contribution plans, and employees identified as Kyndryl employees were enrolled into these plans. Contribution expense associated with employer matching benefits is recorded when the employee renders service to the Company. The charge is recorded in Cost of services and SG&A in the Consolidated Income Statement based on the employees' respective functions.

Stock-Based Compensation

Stock-based compensation expense represents the cost related to stock-based awards granted to employees under Kyndryl's stock-based compensation plan (the "Kyndryl Plan"). The Company establishes stock-based compensation values at the grant date, based on the estimated fair value of the award and recognizes the cost on a straight-line basis (net of actual forfeitures) over the requisite employee service period. Kyndryl grants the Company's employees Restricted Stock Units (RSUs), market-conditioned stock units, performance-conditioned stock units and stock options. RSUs are stock units granted to employees that entitle the holder to shares of Kyndryl common stock as the award vests, typically over a one- to four-year period. Market-conditioned stock units are granted to employees with vesting conditions based on the Company's achievement of a market condition and are cliff vested at the end of the three-year service period. Performance-conditioned stock units are granted to employees with vesting conditions based on the attainment of operational targets (e.g., signings and free cash flows) and are cliff vested at the end of the three-year performance period. Stock options are vested over a one- to four-year period and have a ten-year contractual term.

As of March 31, 2025, 47.9 million shares of common stock have been approved to be granted to employees under the Kyndryl Plan. Dividend equivalents are not paid on the stock-based awards described above.

The fair value of the RSUs is determined on the grant date based on Kyndryl's stock price, adjusted for the exclusion of dividend equivalents where applicable. The fair value of market-conditioned stock units is determined on the date of grant using a Monte Carlo simulation model which estimates the probability of satisfying market conditions. The fair value of the performance-conditioned stock units is determined on the grant date based on Kyndryl's stock price and subsequently adjusted based upon the probability of attainment. The fair value of stock options is determined on the grant date using a Black-Scholes model. Stock-based compensation cost is recorded in Cost of services and SG&A in the Consolidated Income Statement based upon the employees' respective functions.

The Company records deferred tax assets for awards that result in tax deductions in the consolidated financial statements calculated based on the amount of compensation cost recognized and the relevant statutory tax rates. The differences between the deferred tax assets recognized for financial reporting purposes and the actual tax deduction reported on the income tax return are recorded as a benefit or expense to the provision for income taxes in the Consolidated Income Statement.

Derivative Financial Instruments

Derivative financial instruments that qualify for hedge accounting are designated as either cash flow hedges or net investment hedges. The Company may enter into derivative contracts that economically hedge certain risks, even when hedge accounting does not apply, or the Company elects not to apply hedge accounting. The Company does not use derivative financial instruments for trading or speculative purposes.

Derivatives are recognized in the Consolidated Balance Sheet at fair value on a gross basis as either assets or liabilities and classified as current or noncurrent based upon the timing of the instrument's expected cash flows.

Changes in the fair value of derivatives designated as cash flow hedges are recorded, net of applicable taxes, in OCI and subsequently reclassified into the same income statement line item as the hedged exposure when the underlying hedged item is recognized in earnings. Derivatives designated as net investment hedges are accounted for using the spot method, with changes in the fair value of the derivatives attributable to changes in spot rates recorded within foreign currency translation adjustments ("CTA") as a component of other comprehensive income (loss) and remaining there until the hedged net investments are sold or substantially liquidated. The changes in the fair value of the derivatives that are attributable to changes in the difference between the forward rate and spot rate are excluded from the assessment of hedge effectiveness. The changes in fair value that are attributable to the excluded components are initially recorded in CTA and then recognized in interest expense on the Consolidated Income Statement over the life of the derivative instruments. Changes in fair value of derivatives not designated as hedges are reported in other expense in the Consolidated Income Statement. See Note 7 – Financial Assets and Liabilities for further information.

The cash flows associated with derivatives designated as cash flow hedges are reported as cash flows from operating activities in the Consolidated Statement of Cash Flows. Cash flows from derivatives designated as net investment hedges are reported as cash flows from investing activities in the Consolidated Statement of Cash Flows, except for cash flows from the periodic interest settlements of cross-currency interest rate swaps designated as net investment hedges, which are reported as cash flows from operating activities in the Consolidated Statement of Cash Flows. Cash flows from derivatives not designated as hedges are reported as cash flows from investing activities in the Consolidated Statement of Cash Flows.

Translation of Non-U.S. Currency Amounts

Assets and liabilities of non-U.S. subsidiaries that have a local functional currency are translated to U.S. dollars at year-end exchange rates. Translation adjustments are recorded in OCI. Income and expense items are translated at weighted-average rates of exchange prevailing during the year.

Property and equipment, deferred income and other non-monetary assets and liabilities of non-U.S. subsidiaries and branches that operate in U.S. dollars are translated at the approximate exchange rates prevailing when the Company acquired the assets or liabilities. All other assets and liabilities denominated in a currency other than U.S. dollars are translated at year-end exchange rates with the transaction gain or loss recognized in other expense. Income and expense items are translated at the weighted-average rates of exchange prevailing during the year. These translation gains and losses are included in net income for the period in which exchange rates change.

Cash and Cash Equivalents

All highly liquid investments with an original maturity of three months or less on the date of purchase are considered to be cash equivalents.

Accounts Receivable and Allowance for Current Expected Credit Losses

The Company classifies the right to consideration in exchange for products or services transferred to a client as a receivable. Receivables are recorded concurrent with billing and delivery of a service to customers. An allowance for uncollectible receivables and contract assets, if needed, is estimated based on specific customer situations, current and future expected economic conditions and past experiences of losses, as well as an assessment of potential recoverability of the balance due.

Receivable losses are charged against the allowance in the period in which the receivable is deemed uncollectible. Subsequent recoveries, if any, are credited to the allowance. Write-offs of receivables and associated reserves occur to the extent that the customer is no longer in operation and/or there is no reasonable expectation of additional collections or repossession.

Transfers of Financial Assets

The Company has entered into arrangements with third-party financial institutions to sell certain financial assets (primarily trade receivables) without recourse. The Company has determined these are true sales. The carrying value of the financial asset sold is derecognized, and a net gain or loss on the sale is recognized, at the time of the transfer. The first agreement, which was executed in November 2021 and subsequently amended, enabled us to sell certain of our trade receivables to the counterparty. The initial term of this agreement was 18 months, and the agreement automatically resets to a term of 18 months after every six months, unless either party elects not to extend. This agreement was further amended during the quarter ended September 30, 2024 to reduce the committed facility limit from $1 billion to $600 million and to add an incremental uncommitted facility limit of $200 million that is subject to the counterparty's sole discretion to purchase such incremental amounts. The second agreement was executed in June 2022 with a separate third-party financial institution and renews automatically on its anniversary date, unless either party elects not to extend.

The net proceeds from these arrangements are reflected as cash provided by operating activities in the Consolidated Statement of Cash Flows. Gross proceeds from receivables sold to third parties were $3.2 billion, $3.6 billion, and $3.1 billion for the years ended March 31, 2025, 2024 and 2023, respectively. The fees associated with the transfers of receivables were $38 million, $49 million, and $47 million for the years ended March 31, 2025, 2024 and 2023, respectively.

Fair Value Measurement

In determining the fair value of its financial instruments, the Company uses methods and assumptions that are based on market conditions and risks existing at each balance sheet date. All methods of assessing fair value result in a general approximation of value, and such value may never actually be realized.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company classifies certain assets and liabilities based on the following fair value hierarchy:

- Level 1 — Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date;
- Level 2 — Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 — Unobservable inputs for the asset or liability.

The level of an asset or liability within the fair value hierarchy is determined based on the lowest level of any input that is significant to the fair value measurement. The determination of fair value considers various factors including yield curves and time value underlying the financial instruments. For derivatives and debt securities, the Company uses a discounted cash flow analysis using discount rates commensurate with the duration of the instrument.

In determining the fair value of financial instruments, the Company considers certain market valuation adjustments to the “base valuations” using the methodologies described below for several parameters that market participants would consider in determining fair value:

- Counterparty credit risk adjustments are applied to financial instruments, taking into account the actual credit risk of a counterparty as observed in the credit default swap market to determine the true fair value of such an instrument.
- Credit risk adjustments are applied to reflect the Company’s own credit risk when valuing liabilities measured at fair value. The methodology is consistent with that applied in developing counterparty credit risk adjustments, but incorporates the Company’s credit risk as observed in the credit default swap market.

Certain non-financial assets such as property, plant and equipment, operating right-of-use assets, land, goodwill and intangible assets are recorded at fair value or at cost, as appropriate, in the period they are initially recognized, and such balances may be adjusted in subsequent periods if an event occurs or circumstances change that indicate that the asset may be impaired. The impairment models used for non-financial assets depend on the type of asset. The fair value measurements, in such instances, would be classified in Level 3 of the fair value hierarchy.

Supplier Financing Program

In the year ended March 31, 2024, the Company initiated a supplier financing program with a third-party financial institution under which the Company agrees to pay the financial institution the stated amounts of invoices from participating suppliers on the originally invoiced due date, which have an average term of 90 to 120 days. The financial institution offers earlier payment of the invoices at the sole discretion of the supplier for a discounted amount. The Company does not provide secured legal assets or other forms of guarantees under the arrangements. The Company is not a party to the arrangement between its suppliers and the financial institution. The Company or the financial institution may terminate the agreement upon at least 180 days’ notice. The Company’s obligations under this program continue to be recognized as accounts payable in the Consolidated Balance Sheet. The obligations outstanding under this program at March 31, 2025 and March 31, 2024 were immaterial.

Leases

When procuring goods or services, the Company determines whether an arrangement contains a lease at its inception. As part of that evaluation, the Company considers whether there is an implicitly or explicitly identified asset in the arrangement and whether the Company, as the lessee, has the right to control the use of that asset. Leases are classified as either finance leases or operating leases.

The Company recognized right-of-use ("ROU") assets and associated lease liabilities in the Consolidated Balance Sheet for leases with a term of more than twelve months when a majority percentage of utilization was attributed to the Company. As an implicit rate of return is not readily determinable in transactions where the Company is the lessee, an incremental borrowing rate is used in determining the present value of lease payments, calculated based on information available at the lease commencement date. The ROU asset equals the lease liability adjusted for any initial direct costs, prepaid rent and lease incentives. The Company's variable lease payments generally relate to payments tied to various indexes, non-lease components and payments above a contractual minimum fixed amount.

Operating leases are included in operating right-of-use assets net, operating lease liabilities (current and non-current) in the Consolidated Balance Sheet. Finance leases are included in property and equipment, current portion of long-term debt and long-term debt in the Consolidated Balance Sheet. The lease term includes options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option.

The Company made a policy election to not recognize leases with a lease term of twelve months or less in the Consolidated Balance Sheet.

For all asset classes, the Company has elected the lessee practical expedient to combine lease and non-lease components (e.g., maintenance services) and account for the combined unit as a single lease component. A significant portion of the Company's lease portfolio is real estate leases, which are mainly accounted for as operating leases and are primarily used for corporate offices and data centers. The average term of the real estate leases is approximately five years. The Company also has equipment leases, such as for IT equipment and vehicles, which have lease terms that range from two to five years. For certain of these operating and finance leases, the Company applies a portfolio approach to account for the lease assets and lease liabilities.

Intangible Assets Including Goodwill

Goodwill represents the excess of the purchase price over the fair value of net assets, including the amount assigned to identifiable intangible assets. The primary drivers that generate goodwill are the value of synergies between the acquired entities and the Company and the acquired assembled workforce, neither of which qualifies as a separately identifiable intangible asset. Goodwill recorded in an acquisition is assigned to applicable reporting units based on expected revenues or expected cash flows. Goodwill inherited from the former Parent pre-Separation represents the historical goodwill balances in the former Parent's managed infrastructure services business arising from acquisitions specific to the Company. Identifiable intangible assets with finite lives are amortized on a straight-line basis over their useful lives, which approximates the pattern that the assets' economic benefits are expected to be consumed over time. Amortization of completed technology is recorded in cost of services, and amortization of all other intangible assets is recorded in SG&A in the Consolidated Income Statement. All costs related to internally developed computer software during the preliminary project stage and post-implementation operation stage are expensed as incurred. Costs incurred during application development stage are capitalized and included in intangibles and amortized over the estimated useful life of the software.

Impairment

Long-lived assets, other than goodwill, are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The impairment test is based on undiscounted cash flows and, if impaired, the asset is written down to fair value based on either discounted cash flows or appraised values. Goodwill is tested for impairment at least annually and whenever changes in circumstances indicate an impairment may exist. The goodwill impairment test is performed at the reporting unit level, which aligns with our operating segments. Impairment charges related to long-lived assets, intangible assets and goodwill, if any, are recorded as impairment expense in the Consolidated Income Statement.

Transaction-Related Costs

The Company classifies certain expenses and benefits related to the Separation, acquisitions and divestitures as "transaction-related costs (benefits)" in the Consolidated Income Statement. Transaction-related costs include gains or

losses, employee retention expenses, information technology costs, marketing expenses to establish the Kyndryl brand, legal, accounting, consulting and other professional service costs, costs and benefits resulting from settlements with our former Parent associated with pre-Separation and Separation-related matters, and other costs related to contract and supplier novation and integration, associated with acquisitions, divestitures or the Separation.

Workforce Rebalancing and Site-Rationalization Charges

The Company has incurred workforce rebalancing charges, charges related to ceasing to use leased and owned fixed assets and charges related to lease terminations. We record a liability for employee termination benefits either when it is probable that an employee is entitled to it and the amount of the benefits can be reasonably estimated or when management has communicated the termination plan to employees. Workforce rebalancing charges are recorded as a separate line on the Consolidated Income Statement. Charges related to ceasing to use leased assets and owned fixed assets and charges related to lease terminations are recognized as cost of services or selling, general and administrative expenses based on our classification policy for each category. Refer to Note 19 – Workforce Rebalancing and Site-Rationalization Charges for details of this program.

Property and Equipment

Property and equipment are recorded at cost, or in the case of acquired property and equipment, at fair value at the date of the acquisition. Expenditures for repairs and maintenance costs are expensed as incurred, whereas expenditures that extend the life or increase the functionality of the asset are capitalized as additions to property and equipment. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is included in the determination of net income or loss.

In March 2024, the Company completed its assessment of the useful lives of its information technology equipment. Based on our usage experience and data analysis, the Company determined it should increase the estimated useful lives of its information technology equipment from five to six years. This change in accounting estimate became effective on April 1, 2024. Based on the carrying amount of information technology equipment included in property and equipment, net as of March 31, 2024, the effect of this change in estimate was a reduction in depreciation expense and an improvement of income before income taxes of approximately $180 million, or $0.80 before income taxes per basic share and $0.77 before income taxes per diluted share, for the year ended March 31, 2025.

We compute depreciation expense on a straight-line method over the estimated useful lives of the assets as follows:

Classification	Estimated Useful Life
Buildings	30 to 50 years
Land improvements	20 years
Leasehold improvements*	Estimated useful life or term of lease
Office and other equipment	2 to 20 years
Information technology equipment (acquired as used)	1.5 to 3 years
Information technology equipment (acquired as new)†	6 years

* Leasehold improvements are amortized over the shorter of their estimated useful lives or the related lease term, rarely exceeding 10 years.

† Extended from five to six years effective April 1, 2024.

Environmental

The costs of internal environmental protection programs that are preventative in nature are expensed as incurred. When a cleanup program becomes likely and it is probable that the Company will incur cleanup costs and those costs can be reasonably estimated, the Company accrues remediation costs for known environmental liabilities.

Income Taxes

Income tax provisions are calculated based on Kyndryl's operating footprint, as well as tax return elections and assertions. Liabilities related to unrecognized tax benefits for which the Company is liable are reported within the Consolidated Balance Sheet based upon tax authorities' ability to assert the Company may be the primary obligor for historical taxes, among other factors.

Income tax expense is based on reported income before income taxes. Deferred income taxes reflect the tax effect of temporary differences between asset and liability amounts that are recognized for financial reporting purposes and the amounts that are recognized for income tax purposes. These deferred taxes are measured by applying currently enacted tax laws. U.S. tax reform introduced Global Intangible Low-Taxed Income ("GILTI"), which subjects a U.S. shareholder to current tax on income earned by certain foreign subsidiaries. GAAP allows companies to either (i) recognize deferred taxes for temporary differences that are expected to reverse as GILTI in future years or (ii) account for taxes on GILTI as period costs in the year the tax is incurred. The Company has elected to recognize GILTI impact in the specific period in which it occurs.

Valuation allowances are recognized to reduce deferred tax assets to the amount that will more likely than not be realized. In assessing the need for a valuation allowance, management considers all available evidence for each jurisdiction including past operating results, estimates of future taxable income and the feasibility of ongoing tax planning strategies and actions. When there is a change in the determination as to the amount of deferred tax assets that can be realized, the valuation allowance is adjusted with a corresponding impact to provision for income taxes in the period in which such determination is made.

The Company recognizes additional tax liabilities when the Company believes that certain positions may not be fully sustained upon review by tax authorities. Benefits from tax positions are measured at the largest amount of benefit that is greater than 50 percent likely of being realized upon settlement. The noncurrent portion of tax liabilities is included in other noncurrent liabilities in the Consolidated Balance Sheet. To the extent that new information becomes available which causes the Company to change its judgment regarding the adequacy of existing tax liabilities, such changes to tax liabilities will impact income tax expense in the period in which such determination is made. Interest and penalties, if any, related to accrued liabilities for potential tax assessments are included in income tax expense.

Earnings per Share

Basic earnings (loss) per share is computed by dividing net income (loss) for the period by the weighted-average number of common shares outstanding during the period. Diluted earnings per share is computed using the weighted average shares of common stock outstanding during the period and potentially dilutive securities, including restricted stock units, performance-conditioned awards, market-conditioned awards, and stock options using the treasury stock method. Refer to Note 6 – Earnings per Share for a reconciliation as well as Note 16 – Stock-based Compensation for further discussion on awards.

NOTE 2. ACCOUNTING PRONOUNCEMENTS

Standards Implemented

In November 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2023-07, *Segment Reporting (Topic 280) – Improvements to Reportable Segment Disclosures*, which is intended to improve reportable segment disclosures, primarily through enhanced disclosures about significant segment expenses. The guidance should be applied retrospectively, effective for fiscal years beginning after December 15, 2023 and interim periods within fiscal years beginning after December 15, 2024, with early adoption permitted. The Company adopted the guidance for the fiscal year ended March 31, 2025. For additional information, see Note 4 – Segments.

Recent Pronouncements

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740) – Improvements to Income Tax Disclosures*, which is intended to enhance the transparency and usefulness of income tax disclosures through improved reporting related to the rate reconciliation and income taxes paid. The guidance is effective for annual periods beginning after December 15, 2024, with early adoption permitted. The Company has elected not to early adopt this ASU and is currently evaluating the impact of this guidance on the disclosures in its consolidated financial statements.

In November 2024, the FASB issued ASU 2024-03, *Disaggregation of Income Statement Expenses*, which is intended to improve the usefulness of expense information contained in public entity income statements through the disaggregation of relevant expense captions in the notes to the financial statements. The guidance should be applied prospectively, effective for fiscal years beginning after December 15, 2026 and interim periods within fiscal years beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating the impact of this guidance on the disclosures in its consolidated financial statements.

In May 2025, the FASB issued ASU 2025-03, *Business Combinations (Topic 805) and Consolidation (Topic 810): Determining the Accounting Acquirer in the Acquisition of a Variable Interest Entity*, which amends the guidance for determining the accounting acquirer in certain transactions. The guidance should be applied prospectively, effective for the fiscal years beginning after December 15, 2026 and interim reporting periods within fiscal years beginning after December 15, 2026, with early adoption permitted. The Company has evaluated the impact of the guidance and does not expect it to have a material impact on the Company's consolidated financial statements.

NOTE 3. REVENUE RECOGNITION

Disaggregation of Revenue

The Company views its segment results to be the best view of disaggregated revenue. Refer to Note 4 – Segments.

Remaining Performance Obligations

The remaining performance obligation ("RPO") represents the aggregate amount of contractual deliverables yet to be recognized as revenue at the end of the reporting period. It is intended to be a statement of overall work under contract that has not yet been performed and does not include contracts in which the customer is not committed. The customer is not considered committed when it is able to terminate for convenience without payment of a substantive penalty. The RPO also includes estimates of variable consideration. RPO estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustments for revenue that has not materialized and adjustments for currency.

At March 31, 2025, the aggregate amount of RPO related to customer contracts that are unsatisfied or partially unsatisfied was $34.7 billion. Approximately 57 percent of the amount is expected to be recognized as revenue in the next two years, approximately 37 percent in the subsequent three years, and the balance thereafter.

Revenue Recognized for Performance Obligations Satisfied (or Partially Satisfied) in Prior Periods

For the year ended March 31, 2025, revenue increased by $59 million for performance obligations satisfied (or partially satisfied) in previous periods, mainly due to changes in estimates.

Contract Balances

The following table provides information about accounts receivable, contract assets and deferred income balances:

(Dollars in millions)	At March 31, 2025	At March 31, 2024
Accounts receivable (net of allowances for credit losses of $13 at March 31, 2025 and $22 at March 31, 2024) *	$ 1,345	$ 1,599
Contract assets †	50	30
Deferred income (current)	746	825
Deferred income (noncurrent)	341	314

* Including unbilled receivable balances of $425 million at March 31, 2025 and $377 million at March 31, 2024.

† Contract assets represent services performed by the Company prior to billing the client, which give the Company the right to consideration that is typically subject to milestone completion or client acceptance. They are included within prepaid expenses and other current assets in the Consolidated Balance Sheet.

The amount of revenue recognized during the year ended March 31, 2025 that was included within the deferred income balance at March 31, 2024 was $754 million.

The following table provides roll-forwards of the accounts receivable allowance for expected credit losses for the years ended March 31, 2025, 2024 and 2023:

(Dollars in millions)	Year Ended March 31, 2025	Year Ended March 31, 2024	Year Ended March 31, 2023
Beginning balance	$ 22	$ 32	$ 44
Additions (releases)	(7)	4	6
Write-offs	(1)	(4)	(13)
Other *	(1)	(9)	(5)
Ending balance	$ 13	$ 22	$ 32

* Primarily represents translation adjustments.

The contract assets allowance for expected credit losses was not material in any of the periods presented.

Major Clients

No single client represented more than 10 percent of the Company's total revenue during the years ended March 31, 2025, 2024 and 2023. No single client represented more than 10 percent of the Company's total accounts receivable balance as of March 31, 2025. Other than receivables with the former Parent, no single client represented more than 10 percent of the Company's total accounts receivable balance as of March 31, 2024.

Deferred Costs

The following table provides amounts of capitalized costs to acquire and fulfill customer contracts at March 31, 2025 and 2024:

(Dollars in millions)	At March 31, 2025	At March 31, 2024
Deferred transition costs	$ 697	$ 753
Prepaid software costs	876	770
Capitalized costs to fulfill contracts	195	212
Capitalized costs to obtain contracts	281	265
Total deferred costs *	$ 2,049	$ 2,000

* Of the total deferred costs, $1,009 million was current and $1,040 million was noncurrent at March 31, 2025, and $1,081 million was current and $920 million was noncurrent at March 31, 2024.

The amount of total deferred costs amortized during the year ended March 31, 2025 was $1.7 billion, composed of $291 million of amortization of deferred transition costs, $986 million of amortization of prepaid software and $420 million of amortization of capitalized contract costs. The amount of total deferred costs amortized during the year ended March 31, 2024 was $1.8 billion, composed of $335 million of amortization of deferred transition costs, $921 million of amortization of prepaid software and $531 million of amortization of capitalized contract costs. The amount of total deferred costs amortized during the year ended March 31, 2023 was $1.7 billion, composed of $342 million of amortization of deferred transition costs, $857 million of amortization of prepaid software and $472 million of amortization of capitalized contract costs. There were no material impairment losses incurred in any period. Refer to Note 1 – Significant Accounting Policies for additional information on deferred costs to fulfill a contract and capitalized costs of obtaining a contract.

NOTE 4. SEGMENTS

Our reportable segments correspond to how the chief operating decision maker (“CODM”), our chief executive officer, reviews performance and allocates resources. Our four reportable segments consist of the following:

United States: This reportable segment is comprised of Kyndryl’s operations in the United States.

Japan: This reportable segment is comprised of Kyndryl’s operations in Japan.

Principal Markets: This reportable segment represents the aggregation of our operations in Canada, France, Germany, India, Italy, Spain / Portugal, and the United Kingdom / Ireland.

Strategic Markets: This reportable segment is comprised of our operations in all other countries in which we operate.

The Company made a minor change to its geographic reportable segments effective June 1, 2024 to reflect how the Company manages its operations and measures business performance, transitioning the reporting and management of its operations in Australia/New Zealand from the Principal Markets segment to the Strategic Markets segment. All historical segment information has been recast to reflect this change.

The measure of segment operating performance used by Kyndryl’s CODM is adjusted EBITDA, which allows our CODM to evaluate operating results excluding certain items whose fluctuation from period to period do not necessarily correspond to changes in the operations of our business. Adjusted EBITDA is defined as net income (loss) excluding income taxes, interest expense, depreciation and amortization (excluding depreciation of right-of-use assets and amortization of capitalized contract costs), charges related to ceasing to use leased and owned fixed assets, charges related to lease terminations, transaction-related costs and benefits, pension expenses other than pension servicing costs and multi-employer plan costs, stock-based compensation expense, workforce rebalancing charges incurred prior to March 31, 2024, impairment expense, significant litigation costs and benefits, and currency impacts of highly

inflationary countries. The CODM reviews budget-to-actual variances of revenue and adjusted EBITDA to assess performance and allocate resources to the segments.

Our geographic markets frequently work together to sell and implement certain contracts. The resulting revenues and costs from these contracts may be apportioned among the participating geographic markets. The economic environment and its effects on the industries served by our geographic markets affect revenues and operating expenses within our geographic markets to differing degrees. Currency fluctuations also tend to affect our geographic markets differently, depending on the geographic concentrations and locations of their businesses.

The following tables reflect the results of the Company's segments:

	Year Ended March 31, 2025				
(Dollars in millions)	United States	Japan	Principal Markets	Strategic Markets	Total Segments
Revenue	$ 3,876	$ 2,358	$ 5,206	$ 3,617	$ 15,057
Cost of service, excluding depreciation and amortization *	(2,476)	(1,613)	(3,471)	(2,405)	(9,964)
Selling, general and administrative expenses, excluding depreciation and amortization *	(638)	(343)	(831)	(561)	(2,372)
Other items†	(37)	(13)	(19)	(46)	(115)
Segment adjusted EBITDA	$ 725	$ 390	$ 886	$ 606	$ 2,606

	Year Ended March 31, 2024				
(Dollars in millions)	United States	Japan	Principal Markets	Strategic Markets	Total Segments
Revenue	$ 4,295	$ $2,344	$ 5,479	$ $3,934	$ 16,052
Cost of service, excluding depreciation and amortization *	(2,778)	(1,651)	(3,957)	(2,720)	(11,106)
Selling, general and administrative expenses, excluding depreciation and amortization *	(735)	(322)	(847)	(577)	(2,480)
Other items†	(2)	(9)	2	4	(5)
Segment adjusted EBITDA	$ 781	$ 361	$ 677	$ 642	$ 2,461

	Year Ended March 31, 2023				
(Dollars in millions)	United States	Japan	Principal Markets	Strategic Markets	Total Segments
Revenue	$ 4,726	$ 2,502	$ 5,556	$ 4,241	$ 17,026
Cost of service, excluding depreciation and amortization *	(3,072)	(1,747)	(4,430)	(3,063)	(12,312)
Selling, general and administrative expenses, excluding depreciation and amortization *	(812)	(340)	(810)	(696)	(2,657)
Other items†	(4)	(9)	7	2	(3)
Segment adjusted EBITDA	$ 839	$ 407	$ 323	$ 484	$ 2,052

* Cost of service, excluding depreciation and amortization and selling, general and administrative expenses, excluding depreciation and amortization are both used in calculating segment adjusted EBITDA and exclude depreciation of property, equipment and capitalized software and amortization of transition costs and prepaid software.

† Other items include workforce rebalancing charges incurred subsequent to March 31, 2024 and other expense.

The following table reconciles segment adjusted EBITDA to consolidated pretax income (loss):

(Dollars in millions)	Year Ended March 31, 2025	2024	2023
Segment adjusted EBITDA	$ 2,606	$ 2,461	$ 2,052
Workforce rebalancing charges incurred prior to March 31, 2024	—	(138)	(71)
Charges related to ceasing to use leased/fixed assets and lease terminations	(48)	(39)	(80)
Transaction-related (costs) benefits	125	46	(264)
Stock-based compensation expense	(100)	(95)	(113)
Interest expense	(100)	(122)	(94)
Depreciation of property, equipment and capitalized software	(660)	(834)	(900)
Amortization expense	(1,308)	(1,287)	(1,245)
Corporate expense not allocated to the segments	(90)	(95)	(77)
Other adjustments*	10	(68)	(59)
Pretax income (loss)	$ 435	$ (168)	$ (851)

* Other adjustments represent pension expenses other than pension servicing costs and multi-employer plan costs, significant litigation costs and benefits, and currency impacts of highly inflationary countries. For the year ended March 31, 2024, other adjustments also included an adjustment to reduce amortization expense for the amount already included in transaction-related (costs) benefits above.

Segment Assets and Other Items

The Company does not allocate assets to the above reportable segments for our CODM's review.

Geographic Information

The following tables provide information for those countries that represent 10 percent or more of the specific category. Refer to Note 8 – Property and Equipment and Note 9 – Leases for more information on allocation methodologies.

(Dollars in millions)	Year Ended March 31, 2025	2024	2023
Revenue*			
United States	$ 3,876	$ 4,295	$ 4,726
Japan	2,358	2,344	2,502
Other countries	8,823	9,413	9,797
Total revenue	$ 15,057	$ 16,052	$ 17,026

* Revenues are attributed to countries based on the location of the client and exclude certain allocations.

(Dollars in millions)	At March 31, 2025	At March 31, 2024
Property and equipment, net		
United States *	$ 883	$ 951
Other countries	1,687	1,724
Total property and equipment, net	$ 2,570	$ 2,674
Operating right-of-use assets, net		
United States *	$ 134	$ 113
Belgium	92	135
France	81	68
Italy	76	95
Other countries	349	453
Total operating right-of-use assets, net	$ 731	$ 864

* Includes corporate and other.

NOTE 5. TAXES

Income (loss) before income taxes by geography was as follows:

(Dollars in millions)	Year Ended March 31, 2025	Year Ended March 31, 2024	Year Ended March 31, 2023
Income (loss) before income taxes:			
U.S. operations	$ (158)	$ (678)	$ (1,543)
Non-U.S. operations	593	510	692
Total income (loss) before income taxes	$ 435	$ (168)	$ (851)

The components of the provision for income taxes by taxing jurisdiction were as follows:

(Dollars in millions)	Year Ended March 31, 2025	Year Ended March 31, 2024	Year Ended March 31, 2023
U.S. federal:			
Current	$ 1	$ 39	$ —
Deferred	(18)	(10)	(19)
	$ (17)	$ 29	$ (19)
U.S. state and local:			
Current	$ 4	$ 2	$ 2
Deferred	2	1	(4)
	$ 6	$ 3	$ (2)
Non-U.S.:			
Current	$ 177	$ 142	$ 236
Deferred	18	(2)	308
	$ 195	$ 140	$ 545
Total provision for income taxes	$ 184	$ 172	$ 524

A reconciliation of the statutory U.S. federal tax rate to the Company's effective tax rate from continuing operations was as follows:

	Year Ended March 31,		
	2025	2024	2023
Statutory rate	21.0 %	21.0 %	21.0 %
Tax differential on foreign income	4.5 %	(17.4)%	(3.9)%
State and local taxes	0.7 %	17.8 %	5.7 %
Valuation allowances	(4.1)%	(67.7)%	(72.0)%
Reserves for uncertain tax positions	14.2 %	(7.8)%	(6.5)%
Global Intangible Low-Taxed Income (GILTI)	1.5 %	— %	(2.0)%
Undistributed foreign earnings	(2.5)%	2.2 %	1.5 %
Impact of foreign operations	20.9 %	(43.6)%	(8.6)%
Basis adjustment	— %	(6.2)%	— %
Tax credits	(13.1)%	28.7 %	4.7 %
Return to provision	(3.1)%	(19.3)%	0.3 %
Nondeductible items	1.9 %	(8.6)%	(2.0)%
Other	— %	(1.4)%	— %
Effective tax rate	41.9 %	(102.2)%	(61.6)%

The provision for income taxes for the year ended March 31, 2025 was $184 million as compared to $172 million for the year ended March 31, 2024. The increase in income tax expense was primarily driven by an increase in pretax book income. The provision for income taxes for the year ended March 31, 2024 was $172 million as compared to $524 million for the year ended March 31, 2023. The decrease in income tax expense was primarily driven by valuation allowances established in fiscal year 2023, changes in uncertain tax positions during fiscal year 2024 as a result of audit settlements and statutes of limitations lapsing, offset by increases in taxes on foreign operations.

The Company's effective tax rate for the year ended March 31, 2025 was higher than the Company's statutory tax rate primarily due to the Company's pretax income in fiscal year 2025, compared to a pretax loss in fiscal year 2024. The Company's effective tax rate for the year ended March 31, 2024 was lower (more negative) than the Company's statutory tax rate primarily due to the Company's pretax loss being significantly lower in fiscal year 2024 and current year losses not benefitted due to the existing valuation allowances. The Company's effective tax rate for the year ended March 31, 2023 was lower than the Company's statutory tax rate primarily due to changes in valuation allowances, taxes on foreign operations and uncertain tax positions. The Organization for Economic Cooperation and Development's Pillar Two rules, effective beginning in fiscal year 2025, did not significantly affect the Company's tax rate or cash flows for the year ending March 31, 2025.

The tax effects of temporary differences that give rise to significant portions of the deferred taxes were as follows:

(Dollars in millions)	March 31, 2025	March 31, 2024
Deferred tax assets		
Retirement benefits	$ 106	$ 121
Leases	253	308
Stock-based and other compensation	75	90
U.S. tax loss/credit carryforwards	520	441
Deferred income	38	65
Foreign tax loss/credit carryforwards	75	66
Allowance for credit losses	9	12
Goodwill and intangible assets	61	59
Workforce rebalancing charges	8	15
Limitation on deductibility of interest	88	79
Accruals	99	94
Other	52	57
Gross deferred tax assets	$ 1,384	$ 1,406
Less: valuation allowance	(749)	(748)
Net deferred tax assets	$ 634	$ 657
Deferred tax liabilities		
Fixed assets and depreciation	$ 97	$ 34
Leases and right-of-use assets	242	294
Undistributed foreign earnings	5	16
Deferred transition costs	121	131
Prepaids	2	4
Other	15	16
Gross deferred tax liabilities	$ 482	$ 494

As of March 31, 2025, the Company had tax-affected U.S. and foreign net operating loss/credit carryforwards deferred tax assets of $520 million and $75 million, respectively. As of March 31, 2024, the Company had tax-affected U.S. and foreign net operating loss/credit carryforwards deferred tax assets of $441 million and $66 million, respectively. If not utilized, the U.S. state and foreign net operating loss carryforwards will begin to expire in 2026. The U.S. federal net operating losses incurred post 2017 can be carried forward indefinitely. Certain of our acquired U.S. net operating losses and general business credits are subject to limitations under IRC Section 382 and will begin to expire in 2029.

The valuation allowances as of March 31, 2025 and 2024 were $749 million and $748 million, respectively. The increase in valuation allowances from March 31, 2024 to March 31, 2025 was $1 million. The change in valuation allowances primarily reflects an increase in the U.S. due to current-year tax credit carryforwards generated and the impact of purchase accounting related to acquired net operating losses, which are not more likely than not to be realized. This increase was partially offset by the release and reduction in the valuation allowance for certain foreign jurisdictions resulting from the reversal of deductible temporary differences. Estimates of future taxable income could change, perhaps materially, which may require us to revise our assessment of the recoverability of the deferred tax asset at that time.

A reconciliation of the beginning and ending amount of unrecognized tax benefits was as follows:

(Dollars in millions)	Year Ended March 31, 2025	2024	2023
Balance at beginning of period	$ 108	$ 104	$ 55
Additions based on tax positions related to the current year	35	36	46
Additions for tax positions of prior years	28	—	3
Reductions for tax positions of prior years (including impacts due to a lapse of statute)	(3)	(32)	—
Balance at end of period	$ 168	$ 108	$ 104

Liabilities related to unrecognized tax benefits for which the Company is liable are reported within the Consolidated Balance Sheet based upon tax authorities' ability to assert the Company may be the primary obligor for historical taxes, among other factors.

With limited exceptions, the Company is generally subject to income tax audits for tax years subsequent to September 1, 2021, or post-Separation, including in the U.S., Germany, Japan and Spain. Pursuant to the terms of the Separation, any tax liabilities attributable to the tax period (or portion thereof) ending on or before November 3, 2021, are generally not the Company's liability. As of March 31, 2025, the Company is not aware of any material open income tax audits that would result in a liability owed by the Company. The Company does not expect a significant increase or decrease in unrecognized tax benefits within the next twelve months. The net amount of $168 million unrecognized tax benefits, if recognized, would favorably affect the Company's effective tax rate. Interest and penalties related to income tax liabilities are included in income tax expense. During the year ended March 31, 2025, the Company recognized $12.5 million in interest expense and penalties. The Company had $4 million for interest and penalties accrued at March 31, 2024.

Pursuant to the terms of the Separation, there were certain tax refunds related to estimated tax payments and refundable value-added taxes for which we would have been required to reimburse our former Parent as the refunds were received, as well as certain tax benefits related to net operating losses that were transferred to the Company for which we would have been required to pay to our former Parent as the tax benefits were realized. In addition, our former Parent had obligations to indemnify the Company for tax liabilities attributable to tax periods (or portions thereof) ending on or before November 3, 2021. During fiscal year 2025, an agreement was executed with our former Parent that resolved both parties' obligations related to the Separation. The agreement did not have a material impact on the Company's financial statements.

As of March 31, 2025, the Company's undistributed earnings from certain non-U.S. subsidiaries were not indefinitely reinvested. Accordingly, the Company recorded a deferred tax liability of $4 million for the estimated taxes associated with the repatriation of these earnings. The Company intends to repatriate certain foreign earnings that have been taxed in the U.S. and undistributed earnings to the extent the foreign earnings are not restricted by local laws and can be accessed in a cost-effective manner.

NOTE 6. EARNINGS PER SHARE

We did not declare any stock dividends in the periods presented. The following table provides the computation of basic and diluted earnings per share of common stock for the years ended March 31, 2025, 2024 and 2023.

(In millions, except per share amounts)	Year Ended March 31, 2025	2024	2023
Net income (loss) on which basic and diluted earnings per share is calculated	$ 252	$ (340)	$ (1,374)
Number of shares on which basic earnings (loss) per share is calculated	231.5	229.2	226.7
Dilutive effect of stock options and equity awards	7.7	—	—
Number of shares on which diluted earnings (loss) per share is calculated	239.1	229.2	226.7
Basic earnings (loss) per share	$ 1.09	$ (1.48)	$ (6.06)
Diluted earnings (loss) per share	1.05	(1.48)	(6.06)

For the years ended March 31, 2024 and 2023, the number of shares on which basic and diluted earnings (loss) per share is calculated was the same as a result of the net loss incurred in the period. The following securities were not included in the computation of diluted earnings per share because to do so would have been anti-dilutive:

(In millions)	Year Ended March 31, 2025	2024	2023
Nonvested restricted stock units	0.6	8.8	9.4
Nonvested performance-conditioned stock units	4.2	3.0	2.3
Nonvested market-conditioned stock units	0.7	2.7	2.3
Stock options issued and outstanding	—	3.6	3.7
Total	5.5	18.1	17.7

NOTE 7. FINANCIAL ASSETS AND LIABILITIES

Financial Assets and Liabilities Measured at Fair Value

The following table presents the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis at March 31, 2025 and 2024.

(Dollars in millions)	Fair Value Hierarchy Level	At March 31, 2025 Assets	Liabilities	Fair Value	At March 31, 2024 Assets	Liabilities	Fair Value
Derivatives designated as hedging instruments:							
Foreign exchange contracts	2	$ 6	$ 29	$ (23)	$ 2	$ 1	$ 1
Cross-currency swap contracts	2	12	11	—	1	11	(9)
Derivatives not designated as hedging instruments:							
Foreign exchange contracts	2	27	2	25	2	6	(4)
Total		$ 45	$ 43	$ 2	$ 5	$ 18	$ (13)

The gross balances of derivative assets, including accrued interest, are contained within prepaid expenses and other current assets and other noncurrent assets, and the gross balances of derivative liabilities are contained within other accrued expenses and liabilities, or other noncurrent liabilities in the Consolidated Balance Sheet. The Company may enter into master netting agreements with certain counterparties that allow for netting of exposures. There was no netting

of derivative assets against liabilities in the Consolidated Balance Sheet at March 31, 2025 and 2024. The Company manages counterparty risk by seeking counterparties of high credit quality and by monitoring credit ratings, credit spreads and other relevant public information about its counterparties. The Company does not anticipate nonperformance by any of the counterparties.

Financial Assets and Liabilities Not Measured at Fair Value

Accounts receivable are financial assets with carrying values that approximate fair value. Accounts payable, other accrued expenses and short-term debt are financial liabilities with carrying values that approximate fair value. If measured at fair value in the consolidated financial statements, these financial instruments would be classified as Level 3 in the fair value hierarchy, except for short-term debt, which would be classified as Level 2.

The Company also has time deposits that have maturities of 90 days or less, and their carrying values approximate fair value. They are measured for impairment on a recurring basis by comparing their fair value with their amortized cost basis. There were no impairments of financial assets recognized for any of the periods presented. The balance of these time deposits with maturities of 90 days or less contained within cash and cash equivalents in the Consolidated Balance Sheet at March 31, 2025 and 2024 was $765 million and $828 million, respectively. If measured at fair value in the consolidated financial statements, time deposits with maturities of 90 days or less would be categorized as Level 2 in the fair value hierarchy.

The fair value of our outstanding debt (excluding finance lease obligations) is based on various methodologies, including quoted prices in active markets for identical debt instruments, which is a Level 1 measurement, or calculated fair value using an expected present value technique that uses rates currently available to the Company for debt in active markets with similar terms and remaining maturities, which is a Level 2 measurement. See Note 12 – Borrowings for additional information. Our outstanding debt (excluding finance lease obligations) had a carrying value of $2.9 billion and $2.9 billion as of March 31, 2025 and 2024, respectively. The debt had an estimated fair value of $2.7 billion and $2.6 billion as of March 31, 2025 and 2024, respectively.

Derivative Financial Instruments

The following table summarizes the notional amounts of the Company's outstanding derivatives:

	At March 31, 2025			At March 31, 2024		
(Dollars in millions)	Foreign Exchange Contracts	Cross-currency Swap Contracts	Total Notional Amount	Foreign Exchange Contracts	Cross-currency Swap Contracts	Total Notional Amount
Derivatives designated as hedging instruments						
Cash flow hedges	$ 357	$ —	$ 357	$ 281	$ —	$ 281
Net investment hedges	1,485	500	1,985	—	500	500
Derivatives not designated as hedging instruments	$ 1,148	$ —	$ 1,148	$ 1,624	$ —	$ 1,624

The notional amounts of derivative instruments do not necessarily represent the amounts exchanged by the Company with third parties and are not necessarily a direct measure of the financial exposure.

Derivatives Designated as Hedging Instruments

Cash Flow Hedges

The Company has foreign exchange derivative financial instruments designated as cash flow hedges to manage the volatility of cash flows that relate to operating expenses denominated in certain currencies. At March 31, 2025, the maximum remaining length of time over which the Company has hedged its exposures is approximately one year. At March 31, 2025 and 2024, the weighted-average remaining maturity of these instruments was approximately 0.5 years.

At March 31, 2025 and 2024, in connection with cash flow hedges of foreign currency cost transactions, the Company had unrealized losses of $1 million and unrealized gains of $2 million (each before taxes), respectively, in AOCI. The Company estimates that $1 million (before taxes) of deferred net losses on derivatives in AOCI at March 31, 2025 will be reclassified to net income within the next twelve months, providing an offsetting economic impact against the underlying anticipated transactions.

Net Investment Hedges

The Company has entered into and designated cross-currency interest rate swap contracts and currency forward contracts as net investment hedges to mitigate foreign exchange exposure related to net investments. Under the terms of the cross-currency swaps, the Company makes fixed-rate payments in foreign currencies and receives fixed-rate amounts in U.S. dollars, with the exchange of the underlying notional amounts at maturity whereby the Company will receive U.S. dollars and pay foreign currencies at exchange rates which are determined at contract inception. Under the terms of the currency forward contracts, the Company commits to sell the local currency of certain subsidiaries in exchange for U.S. dollars at specified forward rates. At March 31, 2025, the maximum remaining length of time over which the Company has hedged its exposure is approximately nine years. At March 31, 2025 and 2024, the weighted-average remaining maturity of these instruments was approximately three and ten years, respectively. At March 31, 2025 and 2024, the Company had unrealized losses of $6 million and unrealized losses of $11 million (each before taxes), respectively, in AOCI related to net investment hedges.

Derivatives Not Designated as Hedging Instruments

The Company enters into currency forward and swap contracts to hedge exposures related to assets and liabilities across its subsidiaries. The terms of these contracts are generally less than one year.

The Effect of Derivative Instruments in the Consolidated Income Statement

The effects of derivatives designated as hedging instruments on the Consolidated Income Statement and Other Comprehensive Income are as follows:

	Gain (Loss) Recognized in Consolidated Income Statement and Other Comprehensive Income		
	Year Ended March 31,		
(Dollars in millions)	2025	2024	2023
Derivative instruments in cash flow hedges:		Recognized in OCI	
Foreign exchange contracts	$ (14)	$ 22	$ (4)
Derivative instruments in net investment hedges:			
Cross-currency swaps	$ 10	$ (11)	$ —
Foreign exchange contracts	(5)	—	—
Total	$ (9)	$ 11	$ (4)

		Gain (Loss) Recognized in Consolidated Income Statement and Other Comprehensive Income					
		Reclassified from AOCI			Amounts Excluded from Effectiveness Testing		
		Year Ended March 31,			Year Ended March 31,		
(Dollars in millions)	Consolidated Income Statement Line Item	2025	2024	2023	2025	2024	2023
Derivative instruments in cash flow hedges:							
Foreign exchange contracts	Cost of services	$ (11)	$ 21	$ (2)	$ —	$ —	$ —
Derivative instruments in net investment hedges:							
Cross-currency swaps	Interest expenses	—	—	—	12	1	—
Foreign exchange contracts	Interest expenses	—	—	—	10	—	—
Total	Total	$ (11)	$ 21	$ (2)	$ 22	$ 1	$ —

For the years ended March 31, 2025, 2024 and 2023, there were no gains or losses excluded from the assessment of hedge effectiveness for cash flow hedges, or associated with an underlying exposure that did not or was

not expected to occur, nor are there any anticipated in the normal course of business. There were no net investment hedges in the year ended March 31, 2023.

The effects of derivatives not designated as hedging instruments on the Consolidated Income Statement are as follows:

(Dollars in millions)	Consolidated Income Statement Line Item	Gain (Loss) Recognized in Consolidated Income Statement Year Ended March 31, 2025	2024	2023
Derivative instruments not designated as hedging instruments:				
Foreign exchange contracts	Other expense (income)	$ (15)	$ (48)	$ 20
Total		$ (15)	$ (48)	$ 20

NOTE 8. PROPERTY AND EQUIPMENT

The following table presents the balances of property and equipment by type:

(Dollars in millions)	At March 31, 2025	2024
Information technology equipment	$ 5,858	$ 6,374
Buildings and leasehold improvements	2,402	2,502
Office and other equipment	268	354
Land and land improvements	68	70
Property and equipment, gross	$ 8,597	$ 9,300
Accumulated depreciation	(6,026)	(6,626)
Property and equipment, net	$ 2,570	$ 2,674

The unpaid property and equipment balance included in accounts payable and accrued expenses was $45 million and $29 million at March 31, 2025 and 2024, respectively. Depreciation of property and equipment was $618 million, $801 million, and $900 million for the years ended March 31, 2025, 2024 and 2023, respectively. Additionally, as part of the site-rationalization program, the Company recognized $8 million, $21 million and $7 million of accelerated depreciation related to ceasing to use certain owned fixed assets for the years ended March 31, 2025, 2024 and 2023, respectively. Refer to Note 19 – Workforce Rebalancing and Site-Rationalization Charges for additional details.

NOTE 9. LEASES

The following table presents the various components of lease costs:

(Dollars in millions)	Year Ended March 31, 2025	2024	2023
Finance lease costs	$ 95	$ 112	$ 85
Operating lease costs	331	388	434
Short-term lease costs	1	4	7
Variable lease costs	154	135	108
Sublease income	(6)	(11)	(9)
Total lease costs	$ 576	$ 629	$ 625

During the fiscal years of 2025, 2024 and 2023, we identified and ceased use of certain operating right-of-use assets that were inherited from the former Parent at Separation. We determined that we will no longer receive economic benefits from these leased properties and do not have the intent or practical ability to sublease or sell them. Accordingly, we recorded accelerated depreciation in the amount of $39 million, $14 million and $69 million (representing the remaining carrying value of the identified right-of-use assets, not included in the operating lease costs in the table above) for the years ended March 31, 2025, 2024 and 2023, respectively. Refer to Note 19 – Workforce Rebalancing and Site-Rationalization Charges for details of this program.

The Company had no sale and leaseback transactions for the years ended March 31, 2025, 2024 and 2023.

The following table presents supplemental information relating to the cash flows arising from lease transactions. Cash payments related to variable lease costs and short-term leases are not included in the measurement of operating and finance lease liabilities and, as such, are excluded from the amounts below.

(Dollars in millions)	Year Ended March 31, 2025	2024	2023
Cash paid for amounts included in the measurement of lease liabilities:			
Operating cash outflows for finance leases	$ 17	$ 14	$ 5
Financing cash outflows for finance leases	117	116	83
Operating cash outflows for operating leases	404	387	417
Right-of-use assets obtained in exchange for new finance lease liabilities	70	212	111
Right-of-use assets obtained in exchange for new operating lease liabilities	204	291	175

The following table presents the weighted-average lease term and discount rate for finance and operating leases:

	At March 31, 2025	2024
Finance leases		
Weighted-average remaining lease term	4.1 years	3.8 years
Weighted-average discount rate	5.74 %	5.58 %
Operating leases		
Weighted-average remaining lease term	4.4 years	4.8 years
Weighted-average discount rate	5.07 %	5.15 %

The following table presents a maturity analysis of expected undiscounted cash flows for operating and finance leases on an annual basis for the next five years and thereafter.

(Dollars in millions)	Year Ending March 31, 2026	2027	2028	2029	2030	Thereafter	Imputed Interest*	Total
Finance leases	$ 126	$ 97	$ 56	$ 19	$ 3	$ —	$ 52	$ 250
Operating leases	$ 346	$ 223	$ 142	$ 113	$ 60	$ 100	$ 198	$ 785

* Imputed interest represents the difference between undiscounted cash flows and discounted cash flows.

The following table presents the total amount of finance leases recognized in the Consolidated Balance Sheet:

(Dollars in millions)	At March 31, 2025	2024
Right-of-use assets – Property and equipment, net	$ 297	$ 309
Lease liabilities:		
Current – Current portion of long-term debt	100	95
Noncurrent – Long-term debt	150	193

NOTE 10. ACQUISITIONS AND DIVESTITURES

Acquisition of Skytap

In April 2024, the Company completed the acquisition of Skytap, Inc. (“Skytap”), a leading specialized workload services provider, by acquiring all outstanding equity interests of Skytap in exchange for cash consideration. The acquisition of Skytap was accounted for as a business combination in accordance with ASC 805, *Business*

Combinations. Our financial statements for the year ended March 31, 2025 reflect the assets, liabilities, operating results and cash flows of Skytap, commencing from the acquisition date. The Company acquired Skytap for cash consideration of approximately $45 million, net of cash acquired of $4 million. Costs associated with this acquisition were immaterial. Pro forma financial information has not been presented, as revenue and expenses related to the acquisition do not have a material impact on the Company's Consolidated Financial Statements.

The acquisition of Skytap expands the Company's hybrid cloud services portfolio. The final purchase price allocation resulted in approximately $43 million in intangible assets, primarily consisting of $13 million in completed technologies and $30 million in customer relationships with estimated useful lives of five and eight years, respectively, assets transferred of $24 million (inclusive of cash acquired of $4 million), liabilities assumed of $29 million, and goodwill of $11 million, primarily attributable to synergies expected to arise from this acquisition. We do not expect the goodwill to be deductible for income tax purposes.

Since the completion of the acquisition, the Company has made immaterial adjustments to the preliminary purchase price allocation impacting the valuation of goodwill and assets transferred.

Disposal of the Securities Industry Services ("SIS") Platform in Canada

During the three months ended December 31, 2024, the Company completed the sale of its transaction processing platform for securities brokerage industry services in Canada (which is a component of the Company's Principal Markets segment), for approximately $185 million in cash. In connection with the sale, the Company recognized a $145 million pretax gain, which was recorded within transaction-related costs (benefits) on the Consolidated Income Statement. This disposition is not accounted for as discontinued operations as it does not meet the relevant criteria. The carrying value of the net assets sold was not material.

NOTE 11. INTANGIBLE ASSETS INCLUDING GOODWILL

Intangible Assets

The following tables present the Company's intangible asset balances by major asset class:

	At March 31, 2025			At March 31, 2024		
(Dollars in millions)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Capitalized software	$ 216	$ (76)	$ 141	$ 172	$ (48)	$ 125
Customer relationships*	121	(60)	61	152	(96)	56
Completed technology	13	(2)	11	—	—	—
Patents and trademarks*	15	(10)	5	14	(6)	8
Total	$ 365	$ (148)	$ 218	$ 339	$ (150)	$ 188

* Amounts include effects from foreign currency translation.

There was no impairment of identifiable intangible assets recorded in the periods reported. The net carrying amount of intangible assets increased by $29 million during the year ended March 31, 2025, primarily due to additions of capitalized software, partially offset by amortization. The aggregate intangible asset amortization expense was $72 million, $63 million, and $46 million for the years ended March 31, 2025, 2024 and 2023, respectively. Aggregate amortization expense in fiscal year 2025 included amortization of capitalized software of $42 million, which was reported in "Depreciation of property, equipment and capitalized software" on the Consolidated Statement of Cash Flows. During the year ended March 31, 2025, the Company retired approximately $75 million of fully amortized intangible assets, primarily related to customer relationships.

The future amortization expense relating to intangible assets currently recorded in the Consolidated Balance Sheet was estimated to be the following at March 31, 2025:

(Dollars in millions)	Capitalized Software	Customer Relationships	Completed Technology	Patents and Trademarks	Total
Year ending March 31:					
2026	$ 47	$ 21	$ 3	$ 3	$ 74
2027	47	19	3	2	71
2028	23	5	3	—	31
2029	17	5	3	—	24
2030	6	4	—	—	10
Thereafter	—	8	—	—	8

Goodwill

The following table presents a roll-forward of goodwill balances by segment for the years ended March 31, 2025 and 2024:

(Dollars in millions)	United States	Japan	Principal Markets	Strategic Markets	Total
Balance as of March 31, 2023	$ —	$ 495	$ 142	$ 176	$ 812
Translation Adjustments	—	(7)	(1)	—	(7)
Balance as of March 31, 2024	$ —	$ 488	$ 141	$ 176	$ 805
Acquisitions and (Divestitures)*	$ 11	$ —	$ (27)	$ —	$ (15)
Translation Adjustments	—	1	—	—	1
Reallocation	—	—	(23)	23	—
Balance as of March 31, 2025	$ 11	$ 489	$ 92	$ 198	$ 790

* Represents the goodwill acquired as part of the purchase of Skytap and the removal of goodwill related to the divestiture of the SIS platform using the relative fair value approach. See Note 10 – Acquisitions and Divestitures for additional details.

As discussed in Note 4 – Segments, Kyndryl's operations in Australia/New Zealand transitioned from the Principal Markets segment to the Strategic Markets segment in the quarter ended June 30, 2024. As a result, the Company reallocated the goodwill associated with Australia/New Zealand from the Principal Markets segment to the Strategic Markets segment. The Company also performed a qualitative impairment test immediately before and after the change in reporting units and determined that it is not more likely than not that the fair value of the reporting units is less than their carrying amounts, including goodwill. Accordingly, the Company concluded that the goodwill related to those reporting units was not impaired.

Management reviews goodwill for impairment annually and whenever events or changes in circumstances indicate the carrying value of goodwill may not be recoverable by first assessing qualitative factors to determine if it is more likely than not that fair value is less than carrying value.

We conducted an impairment assessment as of January 1, 2025. After evaluating and weighing all relevant qualitative factors, the Company concluded that it is unlikely that the fair value of any of its reporting units is less than its carrying amount as of the date of the assessment. Accordingly, there were no goodwill impairment losses recorded for the year ended March 31, 2025. Cumulatively, the Company has recorded $469 million in goodwill impairment charges within its former EMEA ($293 million) and current United States ($176 million) reporting units, all of which occurred immediately following the Separation.

NOTE 12. BORROWINGS

Debt

The following table presents the components of our debt:

(Dollars in millions)	Interest Rate	Maturity	March 31, 2025	March 31, 2024
Commercial loan agreement	3.00%	July 2026	$ 39	$ 68
Unsecured senior notes due 2026	2.05%	October 2026	700	700
Unsecured senior notes due 2028	2.70%	October 2028	500	500
Unsecured senior notes due 2031	3.15%	October 2031	650	650
Unsecured senior notes due 2034	6.35% *	February 2034	500	500
Unsecured senior notes due 2041	4.10%	October 2041	550	550
Finance lease obligations	5.74% †	2025-2031	250	291
			$ 3,190	$ 3,259
Less: Unamortized discount			4	5
Less: Unamortized debt issuance costs			14	16
Less: Current portion of long-term debt			129	126
Total long-term debt			$ 3,042	$ 3,112

* Including the cross-currency swaps that the Company entered into subsequent to the issuance of the unsecured senior notes due 2034, the effective interest rate on such notes was approximately 3.84% at the time of issuance. For more information, see Note 7 – Financial Assets and Liabilities.

† Weighted-average discount rate

Contractual obligations of long-term debt outstanding at March 31, 2025, exclusive of finance lease obligations, were as follows:

(Dollars in millions)*	Principal
Year ending March 31:	
2026	$ 29
2027	710
2028	—
2029	500
2030	—
Thereafter	1,700
Total	$ 2,939

* Contractual obligations approximate scheduled repayments.

Senior Unsecured Notes

In October 2021, in preparation for our Spin-off, we completed the offering of $2.4 billion in aggregate principal amount of senior unsecured fixed-rate notes as follows: $700 million aggregate principal amount of 2.05% Senior Notes due 2026, $500 million aggregate principal amount of 2.70% Senior Notes due 2028, $650 million aggregate principal amount of 3.15% Senior Notes due 2031 and $550 million aggregate principal amount of 4.10% Senior Notes due 2041 (the “Initial Notes”). The Initial Notes were offered and sold to qualified institutional buyers in reliance on Rule 144A under the Securities Act and to non-U.S. persons in reliance on Regulation S of the Securities Act. In connection with the issuance of the Initial Notes, we entered into a registration rights agreement with the purchasers of the Initial Notes, pursuant to which we completed a registered offering to exchange each series of Initial Notes for new notes with substantially identical terms during the quarter ended September 30, 2022.

In February 2024, we completed a registered offering of $500 million in aggregate principal amount of 6.35% senior unsecured notes due 2034 (the “2034 Notes”). We received proceeds of $494 million, net of debt issuance costs

and discounts. The 2034 Notes are the Company's senior unsecured obligations and rank equally in right of payment with all of the Company's other existing and future senior unsecured indebtedness. If measured at fair value in the consolidated financial statements, all of the Company's senior unsecured notes would be classified as Level 1 in the fair value hierarchy.

The Initial Notes and the 2034 Notes are subject to customary affirmative covenants, negative covenants and events of default for financings of this type and are redeemable at our option in a customary manner.

Revolving Credit Agreement

In October 2021, we entered into a $3.15 billion multi-currency revolving credit agreement (the "Revolving Credit Agreement"), which expires, unless extended, in October 2026. The Revolving Credit Agreement was amended in June 2023, replacing the London Interbank Offered Rate ("LIBOR") with the Secured Overnight Financing Rate ("SOFR"). In March 2025, we further amended the agreement, extending the maturity to March 2030. Interest rates on borrowings under the Revolving Credit Agreement will be based on prevailing market interest rates, plus a margin, as further described in the Revolving Credit Agreement.

The total facility fees recorded by the Company for the Revolving Credit Agreement were $5 million and $5 million for the years ended March 31, 2025 and 2024, respectively. As of March 31, 2025, there has been no drawdown on the Revolving Credit Agreement.

The Revolving Credit Agreement includes certain customary mandatory prepayment provisions. In addition, it includes customary events of default and affirmative and negative covenants as well as a maintenance covenant that will require that the ratio of our indebtedness for borrowed money to consolidated EBITDA (as defined in the Revolving Credit Agreement) for any period of four consecutive fiscal quarters be no greater than 3.50 to 1.00. The Company is in compliance with its debt covenants.

Loan Agreement

The commercial loan agreement contains covenants, primarily for compliance with the scheduled payments in the loan agreement. Failure to comply with the loan covenants could constitute an event of default and result in the immediate repayment of the principal and interest on the loan. The Company is in compliance with all of the loan covenants and is expected to maintain a credit rating at or above the level outlined in the loan agreement. The carrying amount of the loan approximates fair value and is classified as Level 2 in the fair value hierarchy.

NOTE 13. OTHER LIABILITIES

The following table provides the components of other liabilities at March 31, 2025 and 2024.

	At March 31,	
(Dollars in millions)	**2025**	**2024**
Workforce rebalancing (current)	$ 29	$ 45
Other current accruals	426	476
Other accrued expenses and liabilities	$ 454	$ 521
Workforce rebalancing (noncurrent)	$ 3	$ 12
Deferred taxes	51	55
Income tax reserve	136	90
Other	253	174
Other noncurrent liabilities	$ 443	$ 332

In response to changing business needs, the Company has taken workforce rebalancing actions to increase productivity, enhance cost-competitiveness and rebalance skills. The workforce rebalancing liabilities at March 31, 2025 and 2024 include liabilities inherited from our former Parent plus new actions taken by Kyndryl during the fiscal year. Refer to Note 19 – Workforce Rebalancing and Site-Rationalization Charges for details.

Pursuant to the terms of the Separation, the Company may be required to reimburse our former Parent for certain tax refunds we receive and to indemnify our former Parent for certain tax payments. For more information, see Note 5 – Taxes.

NOTE 14. COMMITMENTS AND CONTINGENCIES

The Company guarantees certain loans and financial commitments. The maximum potential future payment under these financial guarantees and the fair value of these guarantees recognized in the Consolidated Balance Sheet at March 31, 2025 and 2024 were not material. Additionally, the Company has contractual commitments that are noncancellable with certain software, hardware and cloud partners used in the delivery of services to customers. The Company has determined that these commitments may exceed the Company's needs over the next two to three years. If the Company is unable to satisfy, reduce or amend its contractual commitments, it will record the future charges for any payments related to excess commitments as cost of services. At March 31, 2025, we had short-term (April 2025 through March 2026), mid-term (April 2026 through March 2028) and long-term (April 2028 onward) purchase commitments in the amount of $0.2 billion, $0.6 billion and $0.1 billion, respectively. During the year ended March 31, 2025, contractual commitments decreased due to satisfaction of existing commitments outpacing new additions.

As a Fortune 500 company with customers and employees around the world, Kyndryl is subject to, or could become subject to, either as plaintiff or defendant, a variety of contingencies, including claims, demands and suits, investigations, tax matters and proceedings that arise from time to time in the ordinary course of its business. Given the rapidly evolving external landscape of cybersecurity, privacy and data protection laws, regulations and threat actors, the Company or its clients could become subject to actions or proceedings in various jurisdictions. Also, as is typical for companies of Kyndryl's scope and scale, the Company is subject to, or could become subject to, actions and proceedings in various jurisdictions involving a wide range of labor and employment issues (including matters related to contested employment decisions, country-specific labor and employment laws, and the Company's benefit plans), as well as actions with respect to contracts, securities, foreign operations, competition law and environmental matters. These actions may be commenced by a number of different parties, including competitors, clients, employees, government and regulatory agencies, stockholders and representatives of the locations in which the Company does business. Some of the actions to which the Company is, or may become, party may involve particularly complex technical issues, and some actions may raise novel questions under the laws of the various jurisdictions in which these matters arise. Additionally, the Company is, or may be, a party to agreements pursuant to which it may be obligated to indemnify the other party with respect to certain matters.

The Company records a provision with respect to a claim, suit, investigation or proceeding when it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. In accordance with the relevant accounting guidance, the Company provides disclosures of matters for which the likelihood of material loss is at least reasonably possible. In addition, the Company may also disclose matters based on its consideration of other matters and qualitative factors.

The Company reviews claims, suits, investigations and proceedings at least quarterly, and decisions are made with respect to recording or adjusting provisions and disclosing reasonably possible losses or range of losses (individually or in the aggregate) to reflect the impact and status of settlement discussions, discovery, procedural and substantive rulings, reviews by counsel and other information pertinent to a particular matter.

Whether any losses, damages or remedies finally determined in any claim, suit, investigation or proceeding could reasonably have a material effect on the Company's business, financial condition, results of operations or cash flows will depend on a number of variables, including the timing and amount of such losses or damages; the structure and type of any such remedies; the significance of the impact any such losses, damages or remedies may have in the consolidated financial statements; and the unique facts and circumstances of the particular matter that may give rise to additional factors. While the Company will continue to defend itself vigorously, it is possible that the Company's business, financial condition, results of operations or cash flows could be affected in any particular period by the resolution of one or more of these matters.

In July 2017, BMC Software, Inc. ("BMC") filed suit against IBM in the U.S. Court for the Southern District of Texas in a dispute involving various aspects of IBM's business, including its managed infrastructure business. BMC alleged IBM's removal of BMC software from one of its client's sites at the client's request constituted breach of contract, fraudulent inducement and trade secret misappropriation. In May 2022, the trial court entered a judgment against IBM and awarded BMC $717 million in direct damages and $717 million in punitive damages, plus interest, for which IBM might have tried to seek an indemnity from the Company. However, IBM appealed the judgment, and in April 2024, the court of appeals overturned the judgment against IBM. In March 2025, the United States Supreme Court denied a request by BMC to review the court of appeals' ruling. Accordingly, we do not expect to have any liability related to this judgment.

Separately, certain contractual disputes have arisen between Kyndryl and IBM following the Separation. Over the course of this fiscal year, Kyndryl and IBM have resolved most of these matters, with certain of these matters resulting in a credit recorded in cost of services in the three months ended June 30, 2024, and other matters being resolved during the period largely in line with the Company's accruals with no net cash outlays required by Kyndryl.

NOTE 15. EQUITY

The following tables present reclassifications and taxes related to items of other comprehensive income (loss) for the years ended March 31, 2025, 2024 and 2023:

(Dollars in millions) For the year ended March 31, 2025	Pretax Amount	Tax (Expense) Benefit	Net-of-Tax Amount
Foreign currency translation adjustments:			
Foreign currency translation adjustments	$ (50)	$ —	$ (50)
Unrealized gains (losses) on net investment hedges	4	(2)	2
Total foreign currency translation adjustments	$ (46)	$ (2)	$ (48)
Unrealized gains (losses) on cash flow hedges:			
Unrealized gains (losses) arising during the period	$ (14)	$ 3	$ (11)
Reclassification of (gains) losses to net income	11	—	11
Total unrealized gains (losses) on cash flow hedges	$ (2)	$ 3	$ —
Retirement-related benefit plans:			
Prior service (credits) costs	$ 2	$ (1)	$ 1
Net gains (losses) arising during the period	17	(4)	13
Curtailments and settlements	7	(2)	5
Amortization of net (gains) losses	16	(4)	12
Total retirement-related benefit plans	$ 42	$ (10)	$ 32
Other comprehensive income (loss)	$ (6)	$ (10)	$ (16)

(Dollars in millions) For the year ended March 31, 2024	Pretax Amount	Tax (Expense) Benefit	Net-of-Tax Amount
Foreign currency translation adjustments:			
Foreign currency translation adjustments	$ (36)	$ —	$ (36)
Unrealized losses on net investment hedges	(11)	—	(11)
Total foreign currency translation adjustments	$ (47)	$ —	$ (47)
Unrealized gains (losses) on cash flow hedges:			
Unrealized gains (losses) arising during the period	$ 22	$ (1)	$ 21
Reclassification of (gains) losses to net income	(21)	—	(21)
Total unrealized gains (losses) on cash flow hedges	$ 1	$ (1)	$ —
Retirement-related benefit plans:			
Prior service (credits) costs	$ (3)	$ 1	$ (2)
Net gains (losses) arising during the period	(56)	10	(45)
Curtailments and settlements	10	(2)	8
Amortization of prior service (credits) costs	1	—	1
Amortization of net (gains) losses	5	(2)	3
Total retirement-related benefit plans	$ (42)	$ 7	$ (36)
Other comprehensive income (loss)	$ (88)	$ 6	$ (82)

(Dollars in millions) For the year ended March 31, 2023	Pretax Amount	Tax (Expense) Benefit	Net-of-Tax Amount
Foreign currency translation adjustments	$ (186)	$ —	$ (186)
Unrealized gains (losses) on cash flow hedges:			
Unrealized gains (losses) arising during the period	$ (4)	$ —	$ (4)
Reclassification of (gains) losses to net income	2	—	2
Total unrealized gains (losses) on cash flow hedges	$ (3)	$ —	$ (2)
Retirement-related benefit plans:			
Prior service (credits) costs	$ 4	$ —	$ 3
Net gains (losses) arising during the period	175	—	175
Curtailments and settlements	10	(2)	8
Amortization of prior service (credits) costs	1	—	1
Amortization of net (gains) losses	40	(11)	29
Total retirement-related benefit plans	$ 229	$ (14)	$ 215
Other comprehensive income (loss)	$ 40	$ (14)	$ 27

The following table presents the components of accumulated other comprehensive income (loss), net of taxes:

(Dollars in millions)	Net Unrealized Gains (Losses) on Cash Flow Hedges	Foreign Currency Translation Adjustments*	Net Change in Retirement-Related Benefit Plans	Accumulated Other Comprehensive Income (Loss)
March 31, 2022	$ 3	$ (735)	$ (357)	$ (1,089)
Other comprehensive income (loss)	(2)	(186)	215	27
March 31, 2023	$ —	$ (921)	$ (142)	$ (1,062)
Other comprehensive income (loss)	—	(47)	(36)	(82)
March 31, 2024	$ —	$ (967)	$ (178)	$ (1,145)
Other comprehensive income (loss)	—	(48)	32	(16)
March 31, 2025	$ 1	$ (1,016)	$ (145)	$ (1,160)

* Foreign currency translation adjustments are presented gross except for any associated hedges, which are presented net of tax.

Share Repurchase Program

In November 2024, the Company's Board of Directors authorized a share repurchase program of up to $300 million of the Company's common stock (the "Share Repurchase Program"). Under the Share Repurchase Program, the

Company may repurchase shares of its common stock from time to time in open market transactions and may also repurchase shares in accelerated share buyback programs, tender offers, privately negotiated transactions or by other means. Repurchases may also be made under a Rule 10b5-1 trading plan. The timing and amount of repurchase transactions will be determined by the Company's management based on its evaluation of market conditions, share price, legal requirements and other factors. The program does not have a set expiration date and may be suspended, modified or discontinued at any time without prior notice.

During the year ended March 31, 2025, the Company repurchased 2.6 million shares of its common stock at an aggregate cost of $94 million under the Share Repurchase Program.

NOTE 16. STOCK-BASED COMPENSATION

Stock-based incentive awards are granted to employees under the terms of Kyndryl's employment and the Kyndryl Plan (see Note 1 – Significant Accounting Policies). Awards under the Kyndryl Plan principally include Restricted Stock Units (RSUs), market-conditioned and performance-conditioned stock units and stock options. RSUs and stock options generally vest based on continued passage of time. Market-conditioned and performance-conditioned stock units are cliff-vested at the end of the performance period if the market or performance conditions have been satisfied.

The following table summarizes stock-based compensation cost, which is included in net income (loss).

	Year Ended March 31,		
(Dollars in millions)	**2025**	**2024**	**2023**
Cost of services	$ 12	$ 16	$ 21
Selling, general and administrative expense	89	78	92
Pretax stock-based compensation expense	$ 100	$ 95	$ 113
Income tax benefits	(7)	(5)	(5)
Stock-based compensation cost, net of tax	$ 93	$ 90	$ 108

The Company's total unrecognized compensation cost related to non-vested awards at March 31, 2025 was $123 million and is expected to be recognized over a weighted-average period of approximately 2.1 years. Capitalized stock-based compensation cost was not material during any period presented.

Stock Units

The following table summarizes the activity related to Kyndryl's RSUs, market-conditioned stock units and performance-conditioned stock units:

	RSUs		Market-Conditioned Stock Units		Performance-Conditioned Stock Units*	
	Number of Units (in millions)	Weighted-Average Grant-Date Fair Value (per share)	Number of Units (in millions)	Weighted-Average Grant-Date Fair Value (per share)	Number of Units (in millions)	Weighted-Average Grant-Date Fair Value (per share)
Nonvested balance at March 31, 2022	9.8	$ 26.36	1.8	$ 15.14	—	$ —
Awards granted	5.0	$ 10.80	0.7	$ 12.51	2.5	$ 10.62
Awards vested	(4.9)	26.09	—	—	—	—
Awards canceled/forfeited	(0.5)	23.09	(0.2)	14.46	(0.1)	10.62
Nonvested balance at March 31, 2023	9.4	$ 18.43	2.3	$ 14.40	2.3	$ 10.62
Awards granted	3.1	$ 13.52	0.6	$ 14.10	2.0	$ 13.37
Awards vested	(4.0)	21.92	—	—	—	—
Awards canceled/forfeited	(0.4)	17.43	(0.1)	14.43	(0.1)	11.85
Nonvested balance at March 31, 2024	8.0	$ 15.33	2.9	$ 14.32	4.3	$ 12.28
Awards granted	1.7	$ 26.65	0.4	$ 26.23	1.2	$ 26.47
Awards vested	(3.3)	17.14	(0.8)	15.14	—	—
Awards canceled/forfeited	(0.3)	16.58	(0.8)	15.12	(0.1)	12.13
Nonvested balance at March 31, 2025	6.1	$ 17.49	1.6	$ 16.33	5.4	$ 15.01

* The grant-date fair value of performance-conditioned stock units issued was determined using the stock price at the grant date.

The Company used the following assumptions in the Monte-Carlo simulation pricing model to estimate the grant-date fair values of the market-conditioned stock units granted within each of the following fiscal years.

	Year Ended March 31,		
Market-conditioned Stock Units:	**2025**	**2024**	**2023**
Share price	$26.51	$13.55	$10.89
Expected volatility*	43%	39%	39%
Risk-free interest rate	4.60%	4.57% - 5.38%	2.85%
Dividend yield	0%	0%	0%

* Based on the average three-year historic volatility across a group of peer companies.

Stock Options

The following table summarizes the activity related to Kyndryl's stock options:

	Stock Options				
	Number of Units (in millions)	Weighted-Average Exercise Price (per share)	Weighted-Average Grant Date Fair Value (per share)	Aggregate Intrinsic Value (in millions)	Weighted-Average Remaining Contractual Term (in years)
Outstanding balance at March 31, 2022	3.8	$ 17.76	$ 6.54	$ —	9.7
Awards exercised	—	—	—	—	
Awards canceled/forfeited	(0.2)	17.78	6.54		
Outstanding balance at March 31, 2023	3.7	$ 17.76	$ 6.54	$ —	8.7
Awards exercised	(0.0)	17.30	6.61	—	
Awards canceled/forfeited	(0.1)	17.78	6.54		
Outstanding balance at March 31, 2024	3.5	$ 17.77	$ 6.54	$ —	7.3
Awards exercised	(0.4)	17.69	6.56	4.7	
Awards canceled/forfeited	(0.0)	17.78	6.54		
Outstanding balance at March 31, 2025	3.1	$ 17.78	$ 6.54	$ 42.7	6.4
Options vested and exercisable at March 31, 2025	2.4	$ 17.78	$ 6.54	$ 32.1	6.3

NOTE 17. RETIREMENT-RELATED BENEFITS

Defined Benefit Pension Plans

The Company sponsors and co-sponsors defined benefit pension plans that cover certain non-U.S. employees and retirees. The defined benefit pension plan benefits are based principally on employees' years of service and/or compensation levels at or near retirement. These plans are accounted for as defined benefit pension plans for purposes of the consolidated financial statements. Accordingly, the net benefit obligations, plan assets and the related benefit plan expenses of those plans have been recorded in the Company's consolidated financial statements.

The following tables present the components of net periodic pension cost for the defined benefit pension plans recognized in the Consolidated Income Statement.

	Year Ended March 31,		
(Dollars in millions)	2025	2024	2023
Service cost	$ 34	$ 38	$ 44
Interest cost*	52	55	32
Expected return on plan assets*	(59)	(60)	(43)
Amortization of prior service costs (credits)*	1	1	1
Recognized actuarial losses*	16	4	40
Curtailments and settlements*	8	13	10
Total net periodic pension cost	$ 53	$ 51	$ 84

* These components of net periodic pension cost are included in other expense in the Consolidated Income Statement.

The following table presents the changes in net benefit obligation and plan assets for the defined benefit pension plans.

(Dollars in millions)	Year Ended March 31, 2025	Year Ended March 31, 2024
Change in benefit obligation		
Benefit obligation at beginning of period	$ 1,670	$ 1,659
Service cost	34	38
Interest cost	52	55
Plan participants' contributions	3	3
Actuarial losses (gains)*	(53)	83
Benefits paid from trust	(22)	(24)
Direct benefit payments	(39)	(38)
Business combination/divestiture	—	(23)
Foreign exchange impact	(2)	(23)
Amendments, curtailments, settlements and other	(80)	(61)
Benefit obligation at end of period	$ 1,563	$ 1,670
Accumulated benefit obligation	$ 1,484	$ 1,583
Change in plan assets		
Fair value of plan assets at beginning of period	$ 1,248	$ 1,226
Actual return on plan assets	15	87
Employer contributions	17	14
Fair value of plan assets assumed from former Parent†	—	27
Plan participants' contributions	3	3
Benefits paid from trust	(22)	(24)
Business combination/divestiture	—	(18)
Foreign exchange impact	3	(18)
Settlements	(65)	(49)
Fair value of plan assets at end of period	$ 1,199	$ 1,248
Funded status at end of period	$ (364)	$ (422)

* The year-over-year change was primarily driven by lower inflation rates and demographic factors.

† Due to the separation of a pension plan that used to be co-sponsored by Kyndryl and the former Parent.

The following table presents the amounts recorded in the Consolidated Balance Sheet for the defined benefit pension plans.

(Dollars in millions)	At March 31, 2025	At March 31, 2024
Noncurrent assets – pension assets	$ 148	$ 105
Current liabilities – accrued compensation and benefits	(40)	(40)
Noncurrent liabilities – retirement and nonpension postretirement benefit obligations	(471)	(487)
Funded status, net	$ (364)	$ (422)

The following table presents information for defined benefit pension plans with accumulated benefit obligations (ABO) or projected benefit obligations (PBO) in excess of plan assets.

(Dollars in millions)	At March 31, 2025 Benefit Obligation	At March 31, 2025 Plan Assets	At March 31, 2024 Benefit Obligation	At March 31, 2024 Plan Assets
Plans with PBO in excess of plan assets	$ 745	$ 233	$ 714	$ 187
Plans with ABO in excess of plan assets	605	157	712	186
Plans with plan assets in excess of PBO	818	966	957	1,061

The following table presents the pretax net loss and prior service costs (credits) recognized in OCI and the changes in pretax net loss and prior service costs (credits) recognized in AOCI for the defined benefit pension plans.

(Dollars in millions)	Year Ended March 31, 2025	Year Ended March 31, 2024
Net loss (gain) at beginning of period	$ 296	$ 253
Current period loss (gain)	(17)	57
Curtailments and settlements	(8)	(10)
Amortization of net loss included in net periodic benefit cost	(16)	(4)
Net loss (gain) at end of period	$ 256	$ 296
Prior service costs (credits) at beginning of period	4	8
Current period prior service costs (credits)	(2)	(2)
Amortization for prior service costs (credits) included in net periodic benefit cost	(1)	(1)
Prior service costs (credits) at end of period	$ 1	$ 4
Total amounts recognized in accumulated other comprehensive loss (income) *	$ 257	$ 301

* See Note 15 – Equity for the total change in AOCI and the Consolidated Statement of Comprehensive Income for the components of net periodic benefit cost, which includes components related to nonpension postretirement benefit plans as well as the related tax effects, recognized in OCI for the retirement-related benefit plans.

The following table presents the weighted-average assumptions used to measure the net periodic pension cost and the year-end benefit obligations for the defined benefit pension plans.

Weighted-average assumptions used to measure:	Year Ended March 31, 2025	Year Ended March 31, 2024	Year Ended March 31, 2023
Net periodic pension cost			
Discount rate	3.30 %	3.57 %	1.88 %
Expected long-term returns on plan assets	4.63 %	4.69 %	3.33 %
Rate of compensation increase	2.84 %	2.85 %	2.54 %
Benefit obligations			
Discount rate	3.68 %	3.30 %	3.57 %
Rate of compensation increase	2.80 %	2.84 %	2.85 %
Interest crediting rate – cash balance plans	1.83 %	1.65 %	1.52 %

In certain countries, a hypothetical portfolio of high-quality corporate bonds is used to construct a yield curve. Projected cash flows from the Company's expected benefit obligation payments are matched to the yield curve to derive discounts. In other countries where the markets for high-quality long-term bonds are not as well developed, a portfolio of long-term government bonds is used as a base and a credit spread is added to simulate corporate bond yields at these maturities in the jurisdiction of each plan. This is the benchmark for developing the respective discount rates.

In developing the expected long-term rate of return on assets, the Company considers the long-term expectations for future returns. The use of expected returns may result in pension income that is greater or less than the actual return of those plan assets in a given year. Over time, however, the expected rate of return is expected to approximate the actual long-term results, leading to a pattern of income or loss recognition that more closely matches the pattern of services provided by the employees.

The investment objective of the defined benefit plans is to generate returns that will enable the plan to meet its future obligations. The weighted-average target allocation for the defined benefit plans is 28% equity securities, 46% fixed-income securities, 6% real estate, 14% insurance contracts and 6% other investments. Typically the responsibility for determining the target allocation and managing the investments lies with a plan governing board that may include up to 50 percent of members elected by employees and retirees. Generally, these defined benefit plans do not invest in illiquid assets, and their use of derivatives is mainly for currency hedging, interest rate risk management, credit exposure and alternative investment strategies.

The following table presents the Company's defined benefit pension plans' asset classes and their associated fair value at March 31, 2025 and 2024.

	At March 31, 2025				At March 31, 2024			
(Dollars in millions)	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Equity								
Equity securities	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Fixed income								
Government and related [1]	—	104	—	104	—	112	—	112
Corporate bonds	—	21	—	21	—	21	—	21
Insurance contracts	—	169	—	169	—	189	—	189
Cash and short-term investments [2]	3	—	—	3	3	1	—	3
Derivative assets [3]	—	4	—	4	—	5	—	5
Subtotal	$ 3	$ 297	$ —	$ 301	$ 3	$ 327	$ —	$ 329
Investments measured at net asset value using NAV as a practical expedient [4]	—	—	—	898	—	—	—	919
Fair value of plan assets	$ 3	$ 297	$ —	$ 1,199	$ 3	$ 327	$ —	$ 1,248

(1) Includes debt issued by national, state and local governments and agencies.
(2) Includes cash, cash equivalents and short-term marketable securities.
(3) Includes forward contracts, interest rate swaps, exchange traded and other over-the-counter derivatives.
(4) Investments measured at fair value using the net asset value (NAV) per share (or its equivalent), as a practical expedient. These investments include commingled funds, hedge funds, common collective trusts, private equity partnerships and real estate partnerships.

Approximately 57 percent of plan assets are held in plans which are co-sponsored by the Company and the former Parent. The allocation of the fair value of co-sponsored plan assets is based on the initial pension assets assumed in connection with establishment of certain Kyndryl legal entities, Company contributions, distributions and market returns.

Defined benefit pension plan assets are recognized and measured at fair value. Because of the inherent uncertainty of valuations, these fair value measurements may not necessarily reflect the amounts the Company could realize in current market transactions. The following is a description of the valuation techniques used to measure plan assets at fair value. There were no changes in valuation techniques during the periods presented.

Equity securities and mutual funds: Equity securities are valued at the closing price reported on the stock exchange on which the individual securities are traded. Mutual funds are typically valued based on quoted market prices. These assets are generally classified as Level 1.

Fixed income: Fixed-income securities, other than insurance contracts, are typically valued using the closing price reported on the major market on which the individual securities are traded, if available. Assets fair-valued using this methodology are generally classified as Level 2. If market prices are unavailable, the fair value is estimated using pricing models or quoted prices of securities with similar characteristics.

Insurance contracts: Fair value is based on the expected value of the insurance benefits of the insurance contracts. The insurance benefits are assessed using the same interest rate and mortality table used to determine the liability. These assets are generally classified as Level 2.

Cash and short-term investments: Cash includes money market accounts that are valued at their cost plus interest on a daily basis, which approximates fair value. Short-term investments represent securities with original maturities of one year or less. These assets are generally classified as Level 1.

Derivatives assets: Exchange-traded derivatives are valued at the closing price reported on the exchange on which the individual securities are traded. Forward contracts are valued using a mid-close price. Over-the-counter derivatives are valued using pricing models. These models require a variety of inputs, yield curves, credit curves,

measures of volatility and foreign exchange rates. Derivative assets are classified as Level 1 or Level 2 depending on availability of quoted market prices.

Investments measured at net asset value: Certain investments are measured at fair value using the net asset value ("NAV") per share (or its equivalent) as a practical expedient. These investments, which may include commingled funds, hedge funds, common collective trusts, private equity partnerships and real estate partnerships, are typically valued using the NAV provided by the administrator of the fund. The NAV is based on the value of the underlying assets owned by the fund, minus liabilities multiplied by the plan's ownership of the investment.

It is the Company's general practice to fund amounts for pensions sufficient to meet the minimum requirements set forth in applicable employee benefits laws and local tax laws. From time to time, the Company contributes additional amounts as it deems appropriate. The Company contributed $17 million, $14 million, and $27 million to the defined benefit pension plans during the years ended March 31, 2025, 2024 and 2023, respectively. Additionally, the Company made direct payments of $44 million, $46 million, and $37 million to participants of the defined benefit pension plans during the years ended March 31, 2025, 2024 and 2023, respectively.

The Company estimates contributions to its defined benefit pension plans in fiscal year 2026 to be approximately $12 million. This amount generally represents legally mandated minimum contributions. Financial market performance in fiscal year 2026 could increase or decrease the legally mandated minimum contribution in certain countries that require monthly or daily remeasurement of the funded status. The Company could also elect to contribute more than the legally mandated amount based on market conditions or other factors.

The following table presents the total expected benefit payments to participants of the defined benefit pension plans.

(Dollars in millions) Fiscal year ending March 31,	Expected Benefit Payments
2026	$ 110
2027	103
2028	107
2029	109
2030	110
2031-2035	597

The fiscal year 2026 expected benefit payments not covered by the respective plan assets represent a component of compensation and benefits, within current liabilities, in the Consolidated Balance Sheet.

Defined Contribution Retirement Plans

The Company sponsors defined contribution retirement plans for certain eligible employees. The Company's contribution expense associated with employer matching benefits was $131 million, $140 million, and $142 million, for the years ended March 31, 2025, 2024 and 2023, respectively.

Nonpension Postretirement Benefit Plans and Multi-Employer Plans

Certain Company employees participate in multi-employer defined benefit pension plans and post-retirement health plans which are sponsored by third parties and include other participants as well as other nonpension postretirement benefit plans that are sponsored by the Company. Accordingly, the Company does not record an asset or liability to recognize the funded status of the multi-employer plans. However, the Company records service cost attributable to its employees who participate in the multi-employer plans, as well as expense allocated for certain corporate and shared functional employees. These amounts are included in the Consolidated Income Statement, and were not material for any of the periods presented. The nonpension postretirement benefit plans provide a fixed monthly dollar credit for retiree health care expense. The related expenses for these plans are included in the consolidated financial statements, and were not material for any period presented.

Contributions to the nonpension postretirement benefit plans and the multi-employer plans and components of net periodic benefit cost related to these plans and were not material for any period presented. Additionally, the components resulting in a change in benefit obligation and the activity recognized in AOCI related to the nonpension postretirement benefit plans were not material for the periods presented. The nonpension postretirement benefit plans had a noncurrent liability recorded in retirement and nonpension postretirement benefit obligation in the Consolidated Balance Sheet of $9 million at March 31, 2025 and $10 million at March 31, 2024. The weighted-average discount rate used to measure the nonpension postretirement benefit plan obligation was 3.16%, 2.89% and 3.02%, for the years ended March 31, 2025, 2024 and 2023, respectively. There were no plan assets in the nonpension postretirement benefit plans for any period presented. As a result, the noncurrent liability related to these plans represented the accumulated postretirement benefit obligation in excess of plan assets for each period presented. Future expected benefit payments to participants of the nonpension postretirement benefit plans are not expected to be material, and the Company expects contributions to the multi-employer and nonpension postretirement benefits plans to be immaterial in fiscal year 2026.

NOTE 18. TRANSACTIONS WITH FORMER PARENT

Change in Beneficial Ownership

IBM transferred all of its 19.9% initially retained interest in Kyndryl common stock to a third-party financial institution through exchange agreements in May and August 2022. IBM ceased to be a related party of Kyndryl in August 2022. Transactions related to former Parent after August 11, 2022 are no longer reported as related-party activities. As a result, there was no related-party revenue or cost of services recognized subsequent to August 11, 2022.

Revenue and Purchases Related to Former Parent

While IBM was a related party, Kyndryl provided various services to IBM, including those related to hosting data centers and servicing IBM's information technology infrastructure, which are reported as revenue in the Company's Consolidated Income Statement. Related-party revenue generated from these services was $287 million for the year ended March 31, 2023. No related-party revenue was recognized after August 2022. During the year ended March 31, 2024, the Company reached an agreement to collect previously reserved receivables from our former Parent, which resulted in a gain recorded within transaction-related costs (benefits).

Kyndryl utilizes various IBM products and services, recognized as costs of services, in the fulfillment of services contracts. While IBM was a related party, total cost of services recognized from these related-party transactions in the Company's Consolidated Income Statement was $1.4 billion for the year ended March 31, 2023. No related-party cost of services was recognized after August 2022.

Capital Expenditures with Former Parent

Related-party capital expenditures for purchases of IBM hardware were reflected as payments for property and equipment within the investing section of the Company's Consolidated Statement of Cash Flows in the amount of $89 million for the year ended March 31, 2023. Additionally, as part of the Separation, IBM committed to provide Kyndryl, at no cost, up to approximately $265 million of upgraded hardware over an expected two-year period. For the year ended March 31, 2024, $265 million of the upgraded hardware committed by IBM was delivered to Kyndryl. The Company intends to recognize depreciation expense related to such equipment over its useful life in accordance with the Company's depreciation policy, as described in Note 1 – Significant Accounting Policies.

NOTE 19. WORKFORCE REBALANCING AND SITE-RATIONALIZATION CHARGES

During the year ended March 31, 2025, the Company initiated actions to reduce our overall cost structure and increase our operating efficiency which continued through the end of the 2025 fiscal year. These actions resulted in workforce rebalancing charges and charges related to ceasing to use leased and owned fixed assets (collectively, the "Fiscal 2025 Program"). The total charges incurred related to the Fiscal 2025 Program were $162 million, consisting of $114 million in workforce rebalancing charges and $48 million in charges related to ceasing to use leased and owned

fixed assets. The Company expects that these actions will reduce future payroll costs, rent expenses and depreciation of property and equipment.

During the year ended March 31, 2023, the Company initiated actions to reduce our overall cost structure and increase our operating efficiency, which continued through the year ended March 31, 2024. These actions resulted in workforce rebalancing charges, charges related to ceasing to use leased and owned fixed assets, and lease termination charges (collectively, the "Fiscal 2024 Program"). The total charges incurred related to the Fiscal 2024 Program were $310 million, consisting of approximately 60% for workforce rebalancing charges and approximately 40% for charges related to ceasing to use leased and owned fixed assets and lease termination charges. The Company expects that these actions will reduce future payroll costs, rent expenses and depreciation of property and equipment.

The following table presents the segment breakout of charges incurred during the years ended March 31, 2025, 2024 and 2023.

	Year Ended March 31,			Costs Incurred to Date	
(Dollars in millions)	2025	2024	2023	Fiscal 2025 Program	Fiscal 2024 Program
United States	$ 62	$ 29	$ 14	$ 62	$ 43
Japan	12	2	2	12	4
Principal Markets*	30	69	59	30	128
Strategic Markets*	58	71	51	58	122
Sub-total	$ 162	$ 171	$ 125	$ 162	$ 297
Corporate and other	—	3	10	—	13
Total charges	$ 162	$ 174	$ 135	$ 162	$ 310

* Kyndryl's operations in Australia/New Zealand transitioned from Principal Markets to Strategic Markets in the quarter ended June 30, 2024; historical segment information has been recast to reflect this change.

The following table presents the classification of workforce rebalancing and site-rationalization activities in the Consolidated Income Statement during the years ended March 31, 2025, 2024 and 2023.

	Year Ended March 31,			Costs Incurred to Date	
(Dollars in millions)	2025	2024	2023	Fiscal 2025 Program	Fiscal 2024 Program
Cost of services	$ 45	$ 23	$ 71	$ 45	$ 94
Selling, general and administrative expenses	3	16	9	3	25
Workforce rebalancing charges	114	135 *	55	114	190
Total charges	$ 162	$ 174	$ 135	$ 162	$ 310

* Excludes $4 million liability adjustment related to workforce rebalancing actions taken by the former Parent prior to Separation.

The following table presents the components of and changes in our workforce rebalancing and site-rationalization charges liabilities during the years ended March 31, 2025, 2024 and 2023.

(Dollars in millions)	Workforce Rebalancing Liabilities*	Liabilities Related to Ceasing to Use Leased Assets	Liabilities Related to Lease Terminations	Liabilities Related to Ceasing to Use Fixed Assets	Total
Fiscal 2024 Program					
Balance at March 31, 2022	$ —	$ —	$ —	$ —	$ —
Charges	55	69	4	7	135
Cash payments	—	—	(1)	—	(1)
Non-cash adjustments	—	(69)	—	(7)	(76)
Balance at March 31, 2023	$ 55	$ —	$ 3	$ —	$ 58
Charges (benefits)	135	14	(1)	26	174
Cash payments	(161)	—	(2)	(5)	(168)
Non-cash adjustments	(1)	(14)	—	(21)	(36)
Balance at March 31, 2024	$ 28	$ —	$ —	$ —	$ 28
Cash payments	(25)	—	—	—	(25)
Non-cash adjustments	(3)	—	—	—	(3)
Balance at March 31, 2025	$ —	$ —	$ —	$ —	$ —
Fiscal 2025 Program					
Balance at March 31, 2024	$ —	$ —	$ —	$ —	$ —
Charges	114	39	—	8	162
Cash payments	(100)	—	—	—	(100)
Non-cash adjustments	2	(39)	—	(8)	(46)
Balance at March 31, 2025	$ 16	$ —	$ —	$ —	$ 16

* Balance at March 31, 2022 excludes workforce rebalancing liabilities inherited from the former Parent of $57 million, charges of $16 million related to one-off terminations and cash payments of $32 million. Balance as of March 31, 2023 excludes workforce rebalancing liabilities inherited from the former Parent of $42 million, charges of $4 million related to one-off terminations, cash payments of $15 million and ending balance of $29 million as of March 31, 2024. Current-year movement excludes cash payments of $14 million, non-cash adjustments of $1 million and ending balance of $16 million related to actions initiated by the former Parent. Workforce rebalancing liabilities are recorded within Other Liabilities; refer to Note 13 – Other Liabilities for further details.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures.

Disclosure Controls and Procedures

The Company's management evaluated, with the participation of the Chief Executive Officer and Chief Financial Officer, the effectiveness of the Company's disclosure controls and procedures (as such term is defined in Rule 13a-15(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) as of March 31, 2025, the end of the period covered by this report. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that the Company's disclosure controls and procedures were effective as of the end of the period covered by this report.

Management's Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act). Our internal control over financial reporting is a process designed to

provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Internal control over financial reporting includes those policies and procedures that:

- pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of our assets;
- provide reasonable assurance that the transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with authorizations of management and our Board of Directors; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on our financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate due to changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our internal control over financial reporting as of March 31, 2025. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control - Integrated Framework (2013)*. Based on this evaluation, management concluded that, as of March 31, 2025, our internal control over financial reporting was effective.

The effectiveness of our internal control over financial reporting as of March 31, 2025 has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report included in this Annual Report on Form 10-K. See “Report of Independent Registered Public Accounting Firm” on page 47.

Changes in Internal Control over Financial Reporting

There have been no changes in the Company’s internal control over financial reporting (as such term is defined in Rule 13a-15(f) of the Exchange Act) that occurred during the quarter ended March 31, 2025 that have materially affected, or are reasonably likely to materially affect, the Company’s internal control over financial reporting other than the remediation of our information technology general controls as part of our previously disclosed remediation activities.

Item 9B. Other Information.

During the three months ended March 31, 2025, none of the Company’s directors or executive officers adopted, terminated or modified a “Rule 10b5-1 trading arrangement” or a “non-Rule 10b5-1 trading arrangement” as such terms are defined in Item 408 of Regulation S-K.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.

Not applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance.

Information about our executive officers may be found under the caption “Executive Officers of the Registrant” in Part I of this Form 10-K and is incorporated by reference in this Item 10. Other information called for by this Item 10 will be included in the subsections titled “Proposal 1 - Election of Directors,” “Kyndryl Code of Conduct,” “Securities Trading Policy,” and “Committees of the Board” under the section entitled “Corporate Governance and Board Matters”

in our Proxy Statement for our 2025 Annual Meeting of Stockholders (our “2025 Proxy Statement”) and is incorporated herein by reference.

Item 11. Executive Compensation.

The information called for by this Item 11 will be included in the sections titled “Director Compensation” and “2025 Executive Compensation” in our 2025 Proxy Statement and is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The information called for by this Item 12 will be included in the sections titled “Equity Compensation Plan Information” and “Stock Ownership Information” in our 2025 Proxy Statement and is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

The information called for by this Item 13 will be included in the sections titled “Director Independence” and “Certain Relationships and Related Person Transactions” in our 2025 Proxy Statement and is incorporated herein by reference.

Item 14. Principal Accountant Fees and Services.

The information called for by this Item 14 will be included in the sections titled “Audit and Non-Audit Fees” and “Pre-Approval of Services Provided by the Independent Registered Public Accounting Firm” in our 2025 Proxy Statement and is incorporated herein by reference.

PART IV

Item 15. Exhibits, Financial Statement Schedules.

Exhibit Number	Description of Exhibit
2.1	Separation and Distribution Agreement, dated as of November 2, 2021, by and between International Business Machines Corporation and the registrant was filed as Exhibit 2.1 to the registrant's Current Report on Form 8-K filed on November 4, 2021 and is hereby incorporated by reference.
3.1	Amended and Restated Certificate of Incorporation of the registrant was filed as Exhibit 3.1 to the registrant's Current Report on Form 8-K filed on November 4, 2021 and is hereby incorporated by reference.
3.2	Amended and Restated Bylaws of the registrant, effective January 25, 2023, was filed as Exhibit 3.1 to the registrant's Current Report on Form 8-K filed on January 27, 2023 and is hereby incorporated by reference.
4.1	Indenture, dated as of October 15, 2021, between Kyndryl Holdings, Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee, was filed as Exhibit 4.1 to the registrant's Current Report on Form 8-K filed on October 15, 2021 and is hereby incorporated by reference.
4.2	First Supplemental Indenture, dated as of October 15, 2021, between Kyndryl Holdings, Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee, was filed as Exhibit 4.2 to the registrant's Current Report on Form 8-K filed on October 15, 2021 and is hereby incorporated by reference.
4.3	Second Supplemental Indenture, dated as of February 15, 2024, between Kyndryl Holdings, Inc. and the Bank of New York Mellon Trust Company, N.A., as trustee, was filed as Exhibit 4.1 to the registrant's Current Report on Form 8-K filed on February 20, 2024 and is hereby incorporated by reference.
4.4	Guarantee Agreement, dated as of October 15, 2021, among International Business Machines Corporation, Kyndryl Holdings, Inc. and the Bank of New York Mellon Trust Company, N.A., as trustee, in favor of the holders of the notes was filed as Exhibit 4.3 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2021 filed on March 10, 2022 and is hereby incorporated by reference.
4.5	Description of the registrant's securities registered under Section 12 of the Exchange Act (filed herewith).
10.1	Five-Year Revolving Credit Agreement, dated as of October 18, 2021, by and among Kyndryl Holdings, Inc., the lenders party thereto and JPMorgan Chase Bank, N.A. as administrative agent, and the other financial institutions party thereto, was filed as Exhibit 10.2 to the registrant's Current Report on Form 8-K filed on October 22, 2021 and is hereby incorporated by reference.
10.2	Amendment No. 1 to Five-Year Revolving Credit Agreement, dated as of June 21, 2023, among the Company, the Lenders party thereto and JPMorgan Chase Bank N.A., as Administrative Agent, was filed as Exhibit 10.1 to the registrant's Current Report on Form 8-K filed on June 23, 2023 and is hereby incorporated by reference.
10.3	Amended and Restated Receivables Purchase Agreement, dated as of October 28, 2021, among Kyndryl, Inc., Banco Santander S.A. and solely for the purposes of Section 13.19, Kyndryl Holdings, Inc., was filed as Exhibit 10.1 to the registrant's current report on Form 8-K filed on November 1, 2021 and is hereby incorporated by reference.
10.4	First Amendment to Amended and Restated Receivables Purchase Agreement, dated as of January 26, 2022, among Kyndryl, Inc., Kyndryl Holdings, Inc. and Banco Santander S.A. was filed as Exhibit 10.4 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2021 filed on March 10, 2022 and is hereby incorporated by reference.
10.5	Second Amendment to Amended and Restated Receivable Purchase Agreement, dated September 21, 2022, by and among Banco Santander S.A., Kyndryl, Inc. and Kyndryl Holdings, Inc. was filed as Exhibit 10.1 to the registrant's Quarterly Report on Form 10-Q for the quarterly period ended December 31, 2022 filed on February 9, 2023 and is hereby incorporated by reference.

10.6	Third Amendment to Amended and Restated Receivable Purchase Agreement, dated as of December 21, 2022, by and among Banco Santander S.A., Kyndryl, Inc. and Kyndryl Holdings, Inc. was filed as Exhibit 10.2 to the registrant's Quarterly Report on Form 10-Q for the quarterly period ended December 31, 2022 filed on February 9, 2023 and is hereby incorporated by reference.
10.7	Fourth Amendment to Amended and Restated Receivable Purchase Agreement, dated July 26, 2024, by and among Banco Santander S.A., Kyndryl, Inc. and Kyndryl Holdings, Inc. was filed as Exhibit 10.1 to the registrant's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2024 filed on November 7, 2024 and is hereby incorporated by reference.
10.8	Tax Matters Agreement, dated as of November 2, 2021, between International Business Machines Corporation and Kyndryl Holdings, Inc. was filed as Exhibit 10.2 to the registrant's Current Report on Form 8-K filed on November 4, 2021 and is hereby incorporated by reference.
10.9	Employee Matters Agreement, dated as of November 2, 2021, between International Business Machines Corporation and Kyndryl Holdings, Inc. was filed as Exhibit 10.3 to the registrant's Current Report on Form 8-K filed on November 4, 2021 and is hereby incorporated by reference.
10.10	Intellectual Property Agreement, dated as of November 2, 2021, between International Business Machines Corporation and Kyndryl, Inc. was filed as Exhibit 10.4 to the registrant's Current Report on Form 8-K filed on November 4, 2021 and is hereby incorporated by reference.
10.11	Real Estate Matters Agreement, dated as of November 2, 2021, between International Business Machines Corporation and Kyndryl Holdings, Inc. was filed as Exhibit 10.5 to the registrant's Current Report on Form 8-K filed on November 4, 2021 and is hereby incorporated by reference.
10.12	IBM International Client Relationship Agreement, dated as of November 2, 2021, between International Business Machines Corporation and Kyndryl, Inc. was filed as Exhibit 10.6 to the registrant's Current Report on Form 8-K filed on November 4, 2021 and is hereby incorporated by reference.*
10.13	Master Subcontracting Framework Agreement, dated as of November 2, 2021, between International Business Machines Corporation and Kyndryl, Inc. was filed as Exhibit 10.7 to the registrant's Current Report on Form 8-K filed on November 4, 2021 and is hereby incorporated by reference.*
10.14	Amended and Restated Kyndryl 2021 Long-Term Performance Plan was filed as Exhibit 4.3 to the registrant's Registration Statement on Form S-8 filed on July 29, 2022 and is hereby incorporated by reference.†
10.15	Amended and Restated Kyndryl 2021 Long-Term Performance Plan (LTPP) was filed as Exhibit 4.3 to the registrant's Registration Statement on Form S-8 filed on July 31, 2023 and is hereby incorporated by reference.†
10.16	Forms of LTPP equity award agreements for (i) stock options, restricted stock, restricted stock units, cash-settled restricted stock units and (ii) retention restricted stock unit awards was filed as Exhibit 10.10 to the registrant's Current Report on Form 8-K filed on November 4, 2021 and is hereby incorporated by reference.†
10.17	Form of LTPP equity award agreement for performance share units was filed as Exhibit 10.11 to the registrant's Current Report on Form 8-K filed on November 4, 2021 and is hereby incorporated by reference.†
10.18	Form of Terms and Conditions of LTPP equity award agreements was filed as Exhibit 10.12 to the registrant's Current Report on Form 8-K filed on November 4, 2021 and is hereby incorporated by reference.†
10.19	Form of LTPP equity award agreement for directors was filed as Exhibit 10.25 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2021 filed on March 10, 2022 and is hereby incorporated by reference.†
10.20	Form of Terms and Conditions for LTPP equity award agreement for directors was filed as Exhibit 10.26 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2021 filed on March 10, 2022 and is hereby incorporated by reference.†
10.21	Form of LTPP equity award agreement for performance share units (Fiscal 2023) was filed as Exhibit 10.3 to the registrant's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2022 filed on November 4, 2022 and is hereby incorporated by reference.†

10.22	Form of LTPP equity award agreement for restricted stock units was filed as Exhibit 10.5 to the registrant's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2023 filed on November 8, 2023 and is hereby incorporated by reference.†
10.23	Form of LTPP equity award agreement for performance share units was filed as Exhibit 10.6 to the registrant's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2023 filed on November 8, 2023 and is hereby incorporated by reference.†
10.24	Form of LTPP equity award agreement for performance share units was filed as Exhibit 10.2 to the registrant's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2024 filed on August 7, 2024 and is hereby incorporated by reference.†
10.25	Form of LTPP equity award agreement for performance share units (filed herewith).†
10.26	Form of LTPP equity award agreement for restricted stock units (filed herewith).†
10.27	Form of LTPP equity award agreement for retention restricted stock units (filed herewith).†
10.28	Kyndryl Excess Plan was filed as Exhibit 10.13 to the registrant's Current Report on Form 8-K filed on November 4, 2021 and is hereby incorporated by reference.†
10.29	Offer Letter by and between International Business Machines Corporation and Martin Schroeter, dated January 2, 2021, the LTPP performance share unit award agreement, dated February 1, 2021, and the related terms and conditions document, effective December 15, 2020, and the noncompetition agreement, dated January 3, 2021, was filed as Exhibit 10.13 to the registrant's Registration Statement on Form 10 filed on October 12, 2021 and is hereby incorporated by reference.†
10.30	Offer Letter by and between International Business Machines Corporation and David Wyshner, dated July 23, 2021, and the noncompetition agreement, dated July 25, 2021, was filed as Exhibit 10.14 to the registrant's Registration Statement on Form 10 filed on October 12, 2021 and is hereby incorporated by reference.†
10.31	Offer Letter by and between International Business Machines Corporation and Elly Keinan, dated March 1, 2021, the LTPP performance share unit award agreement, dated April 1, 2021, and the related terms and conditions document, effective March 1, 2021, the Executive Sign-on Repayment Agreement and the noncompetition agreement, dated March 2, 2021, was filed as Exhibit 10.15 to the registrant's Registration Statement on Form 10 filed on October 12, 2021 and is hereby incorporated by reference.†
10.32	Offer Letter by and between International Business Machines Corporation and Maryjo Charbonnier, dated May 28, 2021, the LTPP performance share unit award agreement, dated August 2, 2021, and the related terms and conditions document, effective March 1, 2021, the LTPP retention restricted stock unit award agreement, dated August 2, 2021, and the related terms and conditions document, effective June 1, 2020, the Executive Sign-on Repayment Agreement and the noncompetition agreement, dated June 1, 2021, was filed as Exhibit 10.16 to the registrant's Registration Statement on Form 10 filed on October 12, 2021 and is hereby incorporated by reference.†
10.33	LTPP performance share unit award agreement for Edward Sebold, dated May 3, 2021, and the related terms and conditions document, effective May 1, 2021, and the noncompetition agreement, dated April 25, 2012, was filed as Exhibit 10.17 to the registrant's Registration Statement on Form 10 filed on October 12, 2021 and is hereby incorporated by reference.†
10.34	Kyndryl Executive Severance Plan and Executive Retirement Policy was filed as Exhibit 10.2 to the registrant's Current Report on Form 8-K filed on February 25, 2022 and is hereby incorporated by reference.†
10.35	Amendment to the Kyndryl Executive Severance Plan and Executive Retirement Policy was filed as Exhibit 10.2 to the registrant's Current Report on Form 8-K filed on August 1, 2022 and is hereby incorporated by reference.†
10.36	Amendment to the Kyndryl Executive Severance Plan and Executive Retirement Policy was filed as Exhibit 10.2 to the registrant's Current Report on Form 8-K filed on July 31, 2023 and is hereby incorporated by reference.†
10.37	Amendment to the Kyndryl Executive Severance Plan and Executive Retirement Policy was filed as Exhibit 10.7 to the registrant's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2023 filed on November 8, 2023 and is hereby incorporated by reference.†

10.38	Amendment to the Kyndryl Executive Severance Plan and Executive Retirement Policy was filed as Exhibit 10.3 to the registrant's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2024 filed on August 7, 2024 and is hereby incorporated by reference.†
10.39	Kyndryl Annual Incentive Plan for Executives was filed as Exhibit 10.1 to the registrant's Current Report on Form 8-K filed on February 25, 2022 and is hereby incorporated by reference.†
19.1	Kyndryl Holdings, Inc. Securities Trading Policy was filed as Exhibit 19.1 to the registrant's Annual Report on Form 10-K for the fiscal year ended March 31, 2024 filed on May 30, 2024 and is hereby incorporated by reference.
21.1	Subsidiaries of the registrant (filed herewith).
23.1	Consent of PricewaterhouseCoopers LLP (filed herewith).
24.1	Power of attorney (filed herewith).
31.1	Certification of principal executive officer, as required by Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith).
31.2	Certification of principal financial officer, as required by Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith).
32.1	Certification of principal executive officer, as required by Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).
32.2	Certification of principal financial officer, as required by Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).
97.1	Kyndryl Financial Statement Clawback Policy was filed as Exhibit 97.1 to the registrant's Annual Report on Form 10-K for the fiscal year ended March 31, 2024 filed on May 30, 2024 and is hereby incorporated by reference.
101.INS	XBRL Instance Document – the instance document does not appear on the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	XBRL Taxonomy Extension Schema Document.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File – the cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.

* Certain portions of this exhibit have been redacted pursuant to Item 601(b)(10)(iv) of Regulation S-K. The Company agrees to furnish supplementally an unredacted copy of the exhibit to the Commission upon its request.
† Management contract or compensatory plan in which directors and/or executive officers are eligible to participate.

The agreements and other documents filed as exhibits to this report are not intended to provide factual information or other disclosure other than with respect to the terms of the agreements or other documents themselves, and you should not rely on them for that purpose. In particular, any representations and warranties made by the Company in these agreements or other documents were made solely within the specific context of the relevant agreement or document and do not apply in any other context or at any time other than the date they were made.

Item 16. Form 10-K Summary.

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Kyndryl Holdings, Inc.
(Registrant)

Date: May 30, 2025

By: /s/ Martin J. Schroeter
Martin J. Schroeter
Chairman of the Board and Chief Executive Officer
(Authorized Signatory)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

			Date
By	/s/ Martin J. Schroeter Martin J. Schroeter	Director, Chairman and Chief Executive Officer (Principal Executive Officer)	May 30, 2025
By	/s/ David B. Wyshner David B. Wyshner	Chief Financial Officer (Principal Financial Officer)	May 30, 2025
By	/s/ Vineet Khurana Vineet Khurana	Senior Vice President and Global Controller (Principal Accounting Officer)	May 30, 2025
By	* Dominic J. Caruso	Director	May 30, 2025
By	* John D. Harris II	Director	May 30, 2025
By	* Stephen A.M. Hester	Director	May 30, 2025
By	* Shirley Ann Jackson	Director	May 30, 2025
By	* Janina Kugel	Director	May 30, 2025
By	* Denis Machuel	Director	May 30, 2025
By	* Rahul N. Merchant	Director	May 30, 2025
By	* Jana Schreuder	Director	May 30, 2025
By	* Howard I. Ungerleider	Director	May 30, 2025
*By	/s/ Evan Barth Evan Barth, Attorney-in-fact		

Exhibit 4.5

DESCRIPTION OF SECURITIES OF KYNDRYL HOLDINGS, INC. REGISTERED PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934

In this document, the "Company," "we," "us" and "our" refer to Kyndryl Holdings, Inc., a Delaware corporation. The following description of our common stock summarizes material provisions of our amended and restated certificate of incorporation (the "certificate of incorporation"), our amended and restated bylaws (the "bylaws") and certain provisions of Delaware law. The description is intended as a summary, and is qualified in its entirety by reference to our amended and restated certificate of incorporation (our "certificate of incorporation") and our amended and restated bylaws (our "bylaws"), copies of which have been filed as exhibits to this Annual Report on Form 10-K, and the applicable provisions of the General Corporation Law of the State of Delaware (the "DGCL").

Authorized Capital Stock

Our authorized capital stock consists of 1,000,000,000 shares of common stock, par value $0.01 per share, and 100,000,000 shares of preferred stock, par value $0.01 per share.

Common Stock

Dividends

Holders of shares of our common stock are entitled to receive dividends when, as and if declared by our board of directors (the "Board") at its discretion out of funds legally available for that purpose, subject to the preferential rights of any preferred stock that may be outstanding. We currently do not pay a dividend. The timing, declaration, amount and payment of future dividends will depend on our financial condition, earnings, capital requirements and debt service obligations, as well as legal requirements, regulatory constraints, industry practice and other factors that our Board deems relevant. Our Board will make all decisions regarding our payment of dividends from time to time in accordance with applicable law.

Voting Rights

The holders of our common stock are entitled to one vote for each share held of record on all matters submitted to a vote of the stockholders.

Other Rights

Subject to the preferential liquidation rights of any preferred stock that may be outstanding, upon our liquidation, dissolution or winding-up, the holders of our common stock are entitled to share ratably in our assets legally available for distribution to our stockholders.

Fully Paid

The issued and outstanding shares of our common stock are fully paid and non-assessable. Any additional shares of common stock that we may issue in the future will also be fully paid and non-assessable. The holders of our common stock do not have preemptive rights or preferential rights to subscribe for shares of our capital stock.

Preferred Stock

Our certificate of incorporation authorizes our Board to designate and issue from time to time one or more series of preferred stock without stockholder approval. Our Board may fix and determine the preferences, limitations and relative rights of each series of preferred stock.

Certain Provisions of Our Certificate of Incorporation and Bylaws and Delaware Law

Certificate of Incorporation and Bylaws

Certain provisions in our certificate of incorporation and our bylaws summarized below may be deemed to have an anti-takeover effect and may delay, deter or prevent a tender offer or takeover attempt. These provisions are intended to enhance the likelihood of continuity and stability in the composition of our Board and in the policies formulated by our Board and to discourage certain types of transactions that may involve an actual or threatened change of control.

- *Classified Board.* Our certificate of incorporation provides that, until the conclusion of the 2027 annual meeting, our Board will be divided into three classes, with each class consisting, as nearly as may be possible, of one-third of the total number of directors. The directors designated as Class I directors have terms expiring at the Company's annual meeting of stockholders in 2025. The directors designated as Class II directors have terms expiring at the Company's annual meeting of stockholders in 2026, and the directors designated as Class III directors have terms expiring at the Company's annual meeting of stockholders in 2027. Beginning at the Company's annual meeting of stockholders in 2025 and at each annual meeting thereafter, all of our directors up for election at such meeting will be elected annually and will hold office until the next annual meeting and until his or her successor has been duly elected and qualified or until his or her earlier resignation or removal. Effective as of the conclusion of the Company's annual meeting of stockholders in 2027, our Board will therefore no longer be divided into three classes. Before our Board is declassified, it would take at least two elections of directors for any individual or group to gain control of our Board. Accordingly, while the classified Board is in effect, these provisions could discourage a third party from initiating a proxy contest, making a tender offer or otherwise attempting to control us.

- *Removal.* Our certificate of incorporation provides that (i) prior to our Board being declassified as discussed above, our stockholders may remove directors only for cause and (ii) after our Board has been fully declassified, our stockholders may remove directors with or without cause. Removal will require the affirmative vote of holders of at least a majority of our voting stock.

- *Vacancies*. Our bylaws provide that any vacancies created on the Board for any reason, including resulting from any increase in the authorized number of directors or the death, resignation, disqualification or removal from office of any director, will be filled exclusively by a majority of the directors then in office, even if less than a quorum, or by the sole remaining director. Any director elected to fill a vacancy on our Board will hold office until the expiration of the term of office of the director he or she replaced or until his or her successor is duly elected and qualified.

- *Blank Check Preferred Stock*. Our certificate of incorporation authorizes our Board to designate and issue, without any further vote or action by the stockholders, up to 100,000,000 shares of preferred stock from time to time in one or more series and, with respect to each such series, to fix the number of shares constituting the series and the designation of the series, the voting powers (if any) of the shares of the series, and the preferences and relative, participating, optional and other rights, if any, and any qualifications, limitations or restrictions, of the shares of such series. The ability to issue such preferred stock could discourage potential acquisition proposals and could delay or prevent a change in control.

- *Authorized but Unissued Common Stock.* Delaware law does not require stockholder approval for any issuance of authorized shares. However, the listing requirements of the New York Stock Exchange (the "NYSE"), which would apply if and so long as our common stock remains listed on the NYSE, require stockholder approval of certain issuances equal to or exceeding 20% of the then outstanding voting power or then outstanding number of shares of common stock. Additional shares that may be used in the future may be used for a variety of corporate purposes, including future public offerings, to raise additional capital or to facilitate acquisitions. One of the effects of the existence of authorized and unissued common

stock may be to enable our Board of Directors to issue shares to persons friendly to current management, which issuance could render more difficult or discourage an attempt to obtain control of the Company.

- *No Stockholder Action by Written Consent.* Our certificate of incorporation expressly excludes the right of our stockholders to act by written consent. Stockholder action must take place at an annual meeting or at a special meeting of our stockholders.

- *Special Stockholder Meetings.* Our certificate of incorporation and our bylaws provide that holders of at least 25% of our outstanding shares or our Board are able to call a special meeting of stockholders.

- *Requirements for Advance Notification of Stockholder Nominations and Proposals.* Under our bylaws, stockholders of record are able to nominate persons for election to our Board or bring other business constituting a proper matter for stockholder action only by providing proper notice to our Secretary. In the case of annual meetings, proper notice must be given, no earlier than 150 days and no later than 120 days prior to the first anniversary of the prior year's annual meeting as first specified in the notice of meeting provided, however, that if (A) the annual meeting is advanced by more than 30 days, or delayed by more than 60 days, from the first anniversary of the prior year's annual meeting or (B) no annual meeting was held during the prior year, the notice by the stockholder to be timely must be received (1) no earlier than 120 days before such annual meeting and (2) no later than the later of 90 days before such annual meeting and the tenth day after the earlier of the day on which the notice of such annual meeting was first made by mail or the day such annual meeting is announced by public disclosure. In the case of special meetings, proper notice must be given no earlier than the 120th day prior to the relevant meeting and no later than the later of the 90th day prior to such meeting and the 10th day after the earlier of the day on which the notice of the meeting was first made by mail or the day such special meeting is announced by public disclosure. Our bylaws also specify the requirements as to the form and content of a stockholder's notice. These provisions may also defer, delay or discourage a potential acquirer from conducting a solicitation of proxies to elect the acquirer's own slate of directors or otherwise attempting to influence or obtain control of the Company.

- *Proxy Access.* Our bylaws allow one or more stockholders (up to 20, collectively), owning at least 3% of our outstanding shares continuously for at least three years, to nominate for election to our Board and to be included in our proxy materials up to the greater of two individuals or 20% of our Board, only by sending proper notice to our Secretary.

- *Cumulative Voting.* The DGCL provides that stockholders are denied the right to cumulate votes in the election of directors unless the Company's certificate of incorporation provides otherwise. Our certificate of incorporation does not provide for cumulative voting.

- *Amendments to Certificate of Incorporation and Bylaws.* The DGCL provides that the affirmative vote of holders of a majority of a company's voting stock then outstanding is required to amend the Company's certificate of incorporation unless the Company's certificate of incorporation provides a higher threshold, and our certificate of incorporation does not provide for a higher threshold. Our certificate of incorporation provides that our bylaws may be amended by our Board or by the affirmative vote of holders of at least a majority of our voting stock.

Delaware Takeover Statute

We are subject to Section 203 of the DGCL, which, subject to certain exceptions, prohibits a Delaware corporation from engaging in any business combination with any interested stockholder for a period of three years following the date that such stockholder became an interested stockholder.

Exclusive Forum

Our certificate of incorporation provides, in all cases to the fullest extent permitted by law, that unless we consent in writing to the selection of an alternative forum, the Court of Chancery located within the State of Delaware will be the sole and exclusive forum for any derivative action or proceeding brought on behalf of us, any action asserting a claim of breach of a fiduciary duty owed by any director, officer, agent, employee or stockholder of the Company to us or our stockholders, any action asserting a claim arising pursuant to the DGCL or as to which the DGCL confers jurisdiction on the Court of Chancery located in the State of Delaware, any action asserting a claim governed by the internal affairs doctrine, or any action asserting a claim arising under the DGCL, our certificate of incorporation or our bylaws. However, if the Court of Chancery within the State of Delaware does not have jurisdiction, the action may be brought in the United States District Court for the District of Delaware. Additionally, our certificate of incorporation states that the foregoing provision will not apply to claims arising under the Securities Act of 1933, as amended (the "Securities Act"). Unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act. The exclusive forum provisions may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or any of our directors, officers or stockholders, which may discourage lawsuits with respect to such claims. Our stockholders will not be deemed to have waived our compliance with the federal securities laws and the rules and regulations thereunder as a result of our exclusive forum provisions.

Exhibit 10.25

Kyndryl

Performance Share Units Equity Award Agreement
Confidential

Plan — **Amended and Restated Kyndryl 2021 Long-Term Performance Plan (the "Amended Plan")**

Award Type — **Performance Share Units (PSUs)**

Purpose — The purpose of this Award is to reward and retain the services of the recipient. You recognize that this Award represents a potentially significant benefit to you and is awarded for the purpose stated here.

Capitalized terms not specifically defined in this Equity Award Agreement have the meanings given to them in the Amended Plan.

Awarded to
Home Country
Global ID — **[Participant Name]**

Award Agreement — This Equity Award Agreement, together with the Amended Plan which is incorporated herein by reference, constitute the entire agreement pursuant to Section 22 of this Equity Award Agreement. You acknowledge and agree the Amended Plan is available on Fidelity.

Grant

Date of Grant	Business Target	Business Target Weighting *	# PSUs Awarded (at Target)	Performance Period	Date of Payout
	Adjusted Operating Cash Flow	100%			

* The number of PSUs earned will be subject to a +/-20% total shareholder return ("TSR") payout modifier, as described in Exhibit A.

Vesting — You can earn the PSUs awarded above based on Kyndryl's performance in achieving the business targets approved by the Committee and described in Exhibit A during the performance period beginning on _____ and ending on _____ for Adjusted Operating Cash Flow (the "Performance Period").

Payout of Awards — Subject to Sections 12 and 13 of the Amended Plan and Section 7 of this Equity Award Agreement, on the "Date of Payout" indicated above, the Company shall either (1) deliver to you a number of shares of Common Stock equal to the number of your earned PSUs, or (2) make a cash payment to you equal to the Fair Market Value on the Date of Payout of the number of your earned PSUs at the end of the Performance Period, except where cash payments are prohibited under local law. The aforementioned payment in shares is not applicable in countries in which the Company has determined that the Awards will be paid in cash. In such deemed cash-settled countries, the Company shall make a cash payment equal to the Fair Market Value on the Date of Payout of the number of your earned PSUs at the end of the Performance Period. In either case, the net of any applicable tax withholding, and the respective PSUs shall thereafter be cancelled. Such payment in shares or cash shall be made as soon as practicable following the Date of Payout, but in

all events no later than 2 ½ months following the conclusion of the Performance Period, subject to the terms and conditions of the Amended Plan and this Equity Award Agreement.

Accept Your Award

This Award is considered valid when you accept it. By accepting this Award at Fidelity, you agree to be bound by, and agree that the Award is subject in all respects, to the terms of the Amended Plan and the Equity Award Agreement. This Award may be cancelled unless you accept within ninety (90) days of receipt. By accepting this Award at Fidelity, you acknowledge having received and read this Equity Award Agreement and the Amended Plan under which this Award was granted and you agree (i) not to hedge the economic risk of this Award or any previously-granted outstanding awards, which includes entering into any derivative transaction on Kyndryl securities (*e.g.*, any short sale, put, swap, forward, option, collar, etc.), and (ii) to comply with the terms of the Amended Plan, this Equity Award Agreement, including those provisions relating to cancellation, rescission and clawback of awards and jurisdiction and governing law.

Kyndryl

Performance Share Units Equity Award Agreement

Terms and Conditions of Your Award

Pursuant to the Amended Plan, the Company has granted you the Award described in this Equity Award Agreement. This Equity Award Agreement provides you with the terms and conditions of your Award. Your Award is subject to the terms and conditions in the governing Amended Plan document.

As an Award recipient, you can see a personalized summary of all your outstanding equity awards at Kyndryl's Fidelity NetBenefits website. This site contains other information about long-term incentive awards, including copies of the prospectus and the governing Amended Plan document. If you have additional questions and you are based in the U.S. you can contact Fidelity at 800-544-9354, from 5:00 p.m. Sunday through 12:00 a.m. Friday Eastern time. Outside of the U.S. you can use the Fidelity Guide to choose the local Fidelity number for your country.

1. DEFINITION OF TERMS

Defined Terms. Capitalized terms not specifically defined herein shall have the meanings given to them in the Amended Plan. For purposes of this Equity Award Agreement:

a. "Awards" means grant of any form of stock option, stock or cash award, whether granted singly, in combination or in tandem, to a Participant pursuant to such terms, conditions, performance requirements, limitations and restrictions as the Committee may establish in order to fulfill the objectives of the Amended Plan.

b. "Board" means the Board of Directors of Kyndryl.

c. "Code" means the Internal Revenue Code of 1986, as amended from time to time.

d. "Common Stock" means authorized and issued or unissued Common Stock of Kyndryl, at such par value as may be established from time to time.

e. "Committee" means the committee designated by the Board to administer the Amended Plan.

f. "Company" means Kyndryl and its affiliates and subsidiaries including subsidiaries of subsidiaries and partnerships and other business ventures in which Kyndryl has an equity interest.

g. "Engage in or Associate with" means and includes, without limitation, engagement or association as a sole proprietor, owner, employer, director, partner, principal, joint venture, associate, employee, member, consultant, or contractor. This also includes engagement or association as a shareholder or investor during the course of your employment with the Company, and includes beneficial ownership of five percent (5%) or more of any class of outstanding stock of a competitor of the Company following the termination of your employment with the Company.

h. "Equity Award Agreement" means this Agreement which provides the Participant's grant details.

i. "Fair Market Value" means the average of the high and low prices of Common Stock on the New York Stock Exchange for the date in question, provided that, if no sales of Common Stock were made on said exchange on that date, the average of the high and low prices of Common Stock as reported for the most recent preceding day on which sales of Common Stock were made on said exchange. Fair Market Value will be converted to the Participant's home currency at the exchange rate on the applicable Date of Payout using a commercially reasonable measure of exchange rate.

j. "Kyndryl" means Kyndryl Holdings, Inc.

k. "Participant" means an individual to whom an Award has been made under the Amended Plan. Awards may be made to any employee of, or any other individual providing services to, the Company.

l. "Plan" or "Amended Plan" means the Amended and Restated Kyndryl 2021 Long-Term Performance Plan, effective July 27, 2023.

m. "PSU" means Performance Share Units under your Award.

n. ["Restrictive Covenants" means any obligation you have to the Company under any policy or agreement relating to your non-use or nondisclosure of Company confidential information or trade secrets, non-solicitation of employees, customers, clients, vendors, or other third-parties, or your non-competition with the Company, in each case during your employment and for certain periods thereafter, including, without limitation, your obligation under any noncompetition agreement with the Company or an International Business Corporation ("IBM") affiliate prior to the Spin-Off, which you acknowledge and agree has been assigned to and is enforceable by Kyndryl.]

o. "Spin-Off" means the distribution of shares of Common Stock to the stockholders of International Business Machines Corporation in 2021 pursuant to the Separation and Distribution Agreement and the Employee Matters Agreement between the Company and International Business Machines Corporation entered into in connection with such distribution.

p. "Termination of Employment" means for the purposes of determining when you cease to be an employee for the cancellation of any Award, a Participant will be deemed to be terminated if the Participant is no longer employed by Kyndryl or a subsidiary corporation.

2. NATURE OF GRANT

In accepting the grant, you acknowledge, understand and agree to all of the following:

a. the Amended Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company in accordance with its terms for the purpose of meeting or addressing any changes in legal requirements or for any other purpose permitted by law;

b. you are voluntarily participating in the Amended Plan;

c. the grant of the Award is voluntary and a one-time benefit and does not create any contractual or other right to receive future grants (whether on the same of different terms), or benefits in lieu of Awards, even if an award has been granted in the past;

d. your Award is subject to the Cancellation and Rescission provisions of Section 4 of this Equity Award Agreement.

e. all decisions with respect to future grants, if any, will be at the discretion of the Committee, including, but not limited to, the form and timing of the grant, the number of units subject to the grant, and the vesting provisions applicable to the grant;

f. the grant and your participation in the Amended Plan shall not create a right to employment or be interpreted as forming an employment or services contract with the Company and shall not interfere with the ability of the Company to terminate your employment or service relationship;

g. shares (or cash) will be issued to you only if the vesting conditions are met and any necessary services are rendered by you over the vesting period;

h. the PSUs and the shares (or cash) subject to the PSUs are not intended to replace any pension rights or compensation, if applicable;

i. the PSUs and the shares (or cash) subject to the PSUs, and the income and value thereof, are an extraordinary item of compensation outside the scope of your employment or services (and employment or services contract, if any) and is not part of normal or expected compensation for any purpose, including, without limitation, calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments;

j. the future value of the shares underlying the PSUs is unknown, indeterminable and cannot be predicted with certainty;

k. no claim or entitlement to compensation or damages shall arise from forfeiture of PSUs resulting from your ceasing to be employed or otherwise providing services to the Company;

l. unless otherwise provided herein, in the Amended Plan or by the Company in its discretion, the PSUs and the benefits evidenced by this Equity Award Agreement do not create any entitlement to have the PSUs or any similar benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the shares of Kyndryl; and

m. if you reside or are employed outside of the United States, you acknowledge and agree that the Company shall not be liable for any exchange rate fluctuation between your local currency and the United States Dollar that may affect the value of the PSUs or of any amounts due to you pursuant to the settlement of the PSUs or the subsequent sale of any shares acquired upon settlement.

3. NON-SOLICITATION

a. In consideration of your Award, you agree that during your employment with the Company and for [one year][two years] following the termination of your employment for any reason, you will not directly or indirectly, or in any capacity on your behalf or on behalf of any other individual, firm, association, partnership, corporation, or other business entity, (i) hire, solicit, or make an offer to; or (ii) attempt to or participate or assist in any effort to hire, solicit, or make an offer to any Restricted Employee to be employed or to perform services outside of the Company. For the purposes of this Paragraph, a “Restricted Employee” is any person (i) who is an employee of the Company at the time of any conduct by you referenced in the preceding sentence, or (ii) who was an employee of the Company at any time in the twelve (12) month period immediately preceding any conduct by you referenced in the preceding sentence.

b. You also agree that during your employment with the Company and for [one year][two years] following the termination of your employment for any reason, you will not directly or indirectly, or in any capacity on your behalf or on behalf of any other individual, firm, association, partnership, corporation, or other business entity (i) solicit, for business purposes, any Restricted Customer of the Company; (ii) induce or attempt to induce any Restricted Customer to reduce, eliminate, or terminate its business with the Company; or (iii) divert or attempt to divert any business from a Restricted Customer to any entity that engages in, or owns or controls an interest in any entity that engages in, competition with any business unit or division of the Company in which you worked at any time during the three (3) year period prior to the termination of your employment with the Company. For the purposes of this Paragraph, “Restricted Customer” means any actual or prospective customer of the Company which you were directly or indirectly involved with, or exposed to confidential information about, as part of your job responsibilities during the last twelve (12) months of your employment with the Company. The term “Restricted Customer” shall not include any customer with whom you had a pre-existing relationship prior to becoming employed by the Company.

c. By accepting your Award, you acknowledge that the Company would suffer irreparable harm if you fail to comply with the foregoing, and that the Company would be entitled to any appropriate relief, including money damages, equitable relief and attorneys’ fees.

The above non-solicitation provisions do not apply to you if your home country is in Latin America, specifically: Argentina, Bolivia, Brazil, Chile, Columbia, Costa Rica, Ecuador, Mexico, Paraguay, Peru, Uruguay, Venezuela, or where explicitly stated otherwise in this Equity Award Agreement.

4. CANCELLATION AND RESCISSION

a. You understand that the Company may cancel, modify, rescind, suspend, withhold or otherwise limit or restrict this Award in accordance with the terms of the Amended Plan, including without limitation, any policy and/or procedures established by the Committee as required by law, including, but not limited to Section 10D of the Securities Exchange Act of 1934, as amended and any rules promulgated thereunder and any other regulatory regimes. Further, Awards granted under the Amended Plan will be subject to clawback, forfeiture, recoupment, or similar requirements (and such requirements shall be deemed incorporated by reference into all outstanding Equity Award Agreements), including on a retroactive basis, in accordance with any clawback policy that the Company maintains, adopts or is required to adopt pursuant to listing standards of any national securities exchange or association on which the Company's securities are listed or another applicable law, including, but not limited to, the Company's Clawback Policy, as in effect from time to time. In addition, you acknowledge and agree to abide by the terms of the Company's Financial Statement Clawback Policy, as in effect from time to time (the "Financial Statement Policy"), including, without limitation, by returning any Erroneously Awarded Compensation (as defined in the Financial Restatement Policy) to the Company to the extent required by, and in a manner consistent with, the Financial Restatement Policy, regardless of whether you received such Erroneously Awarded Compensation under the Amended Plan, the Company's Annual Incentive Plan or any other plan of the Company or any of its affiliates pursuant to which you received Erroneously Awarded Compensation.

b. All determinations regarding enforcement, waiver or modification of the cancellation, rescission, clawback, and other provisions of the Amended Plan and this Equity Award Agreement (including the provisions relating to Termination of Employment, death and disability) shall be made in the Company's sole discretion. Determinations made under this Equity Award Agreement and the Amended Plan need not be uniform and may be made selectively among individuals, whether or not such individuals are similarly situated.

c. You agree that the cancellation, rescission and clawback provisions of the Amended Plan and this Equity Award Agreement are reasonable and agree not to challenge the reasonableness of such provisions, even where forfeiture of your Award is the penalty for violation. Engaging in Detrimental Activity (as defined in the Amended Plan) during employment or after your employment-relationship has ended may result in cancellation, rescission or clawback of your Award.

d. The cancellation, rescission and clawback provisions of the Amended Plan may be triggered by your acceptance of an offer to Engage in or Associate with any business which is or becomes competitive with the Company, or your engagement in competitive activities for [one year][two years] after your employment relationship with the Company has ended if: (i) on or prior to the date of grant stated in this Equity Award Agreement you have entered into a Noncompetition Agreement with the Company or an affiliate (including, for this purpose, with International Business Machines Corporation ("IBM") or an IBM affiliate prior to the Spin-Off), as applicable; or (ii) the Award is a Retention Restricted Stock Unit Award. Notwithstanding the above, the cancellation, rescission and clawback provisions of the Amended Plan will apply to all Awards if during your employment with the Company you engage in any Detrimental Activity, including competitive activities, described in Section 13(a) of the Amended Plan. However, the clawback period in this Section 4 shall not apply to Section 13(a)(i) of the Amended Plan. For purposes of Section 13(a)(i) of the Amended Plan, the Company may cancel, modify, rescind, suspend, withhold or otherwise limit or restrict this Award [for a period of twelve (12) months][during your employment or for two years] following your Termination of Employment.

e. For the avoidance of doubt: (a) all other cancellation, rescission and clawback provisions of the Amended Plan will apply to all Awards if after your employment relationship has ended with the Company but during the clawback period you engage in any Detrimental Activity described in Section 13(a) (excluding Section 13(a)(i)) of the Amended Plan; and (b) the cancellation, rescission and clawback provisions of the

Amended Plan will apply to all Awards if during your employment with the Company you engage in any Detrimental Activity, including competitive activities, described in Section 13(a) of the Amended Plan.

5. GOVERNING LAW AND ADMINISTRATION

This Equity Award Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to its conflict of law rules. You agree that any action or proceeding with respect to your Equity Award Agreement shall be brought exclusively in the state and federal courts sitting in New York County or Westchester County, New York. You agree to the personal jurisdiction thereof, and irrevocably waive any objection to the venue of such action, including any objection that the action has been brought in an inconvenient forum.

If any court of competent jurisdiction finds any provision of this Equity Award Agreement, or portion thereof, to be unenforceable, that provision shall be enforced to the maximum extent permissible so as to effect the intent of the parties, and the remainder of this Equity Award Agreement shall continue in full force and effect.

If you or the Company brings an action to enforce this Equity Award Agreement and the Company prevails, you will pay all costs and expenses incurred by the Company in connection with that action and in connection with collection, including reasonable attorneys' fees.

If the vendor engaged to administer the Amended Plan changes, you consent to moving all of the shares you have received under the Amended Plan that is in an account with such vendor (including unvested and previously vested shares), to the new vendor to administer the Amended Plan. Such consent will remain in effect unless and until revoked in writing by you.

6. DATA PRIVACY, ELECTRONIC DELIVERY, ELECTRONIC SIGNATURE

By accepting this Award, you agree that data, including your personal data, necessary to administer this Award may be exchanged among the Company as necessary, and with any vendor engaged by the Company to administer this Award, subject to and for the purposes of implementing this Equity Award Agreement; you also consent to receiving information and materials in connection with this Award or any subsequent awards under Kyndryl's long-term performance plans, including without limitation any prospectuses and plan documents, by any means of electronic delivery available now and/or in the future (including without limitation by e-mail, by vendor Website access and/or by facsimile), such consent to remain in effect unless and until revoked in writing by you.

a. By participating in the Amended Plan or accepting any rights granted under it, you consent to and authorize the collection, processing and transfer by the Company of personal data relating to you by the Company for the purposes of fulfilling its obligations and exercising its rights under the Amended Plan, statements and communications relating to the Amended Plan and generally administering and managing the Amended Plan, including keeping records of analysis of and reporting on participation levels and other information about the Amended Plan from time to time. Any such processing shall be in accordance with the purposes and provisions of this data privacy provision. Such consent will remain in effect unless and until revoked in writing by you.

   This includes the following categories of data ("Data"):

   i. Data already held in the Company's records for you such as your name and address, employee number, payroll number (if applicable), service dates and whether you work full-time or part-time;

   ii. Data collected upon you accepting the rights granted under Plan (if applicable); and

   iii. Data subsequently collected by the Company in relation to your continued participation in the Amended Plan, for example, data about shares offered or received, purchased or sold under the Amended Plan from time to time and other appropriate financial and other data about you and your participation in the Amended Plan (*e.g.*, the date on which shares were granted, your Termination of Employment and the reasons of Termination of Employment or retirement).

b. You expressly consent to the transfer of personal data about you as described in paragraph (a) above by the Company. Data may be transferred not only within the country in which you are based from time to time or within the EU or the European Economic Area ("EEA"), but also worldwide, to other employees and officers of the Company and to the following third parties for the purposes described in paragraph (a) above:

   i. Plan administrators, auditors, brokers, suppliers, agents and contractors of, and third party service providers, vendor Website Access and/or facsimile to, the Company;

   ii. Regulators, tax authorities, stock or security exchanges and other supervisory, regulatory, governmental or public bodies as required by law or otherwise deemed necessary by the Company;

   iii. Other third parties to whom the Company may need to communicate/transfer the data in connection with the administration of the Amended Plan, under a duty of confidentiality to the Company;

   iv. Your family members, heirs, legatees and others associated with you in connection with the Amended Plan; and

   v. Any vendor engaged by the Company to administer this Award.

The Company has internal policies to ensure an equivalent level of protection is in place across the Company's worldwide organization.

You have the right to be informed whether the Company holds personal data about you and, to the extent the Company does so, to have access to those personal data at no charge and require the Company to correct the data if it is inaccurate and to request the erasure, request the restriction of processing or object to the processing and withdraw your consent. You are entitled to all the other rights provided by application data privacy law, including those detailed in any applicable documentation or guidelines provided to you by the Company in the past. You understand, however, that refusing or withdrawing your consent may affect your ability to participate in the Amended Plan (and may result in the forfeiture of unvested Awards).

You agree that data, including your personal data, necessary to administer this Award may be exchanged among the Company as necessary (including transferring such data out of the country of origin both in and out of the EEA), and with any vendor engaged by the Company to administer this Award.

7. TERMINATION OF EMPLOYMENT, INCLUDING DEATH AND DISABILITY, AND LEAVE OF ABSENCE

A. Termination of Employment and Continued Vesting

Except as otherwise provided in this Section 7.A, in the event you cease to be an employee of the Company for any reason (other than on account of death or are disabled as described in Section 12 of the Amended Plan) before the end of the applicable PSU Performance Period, all outstanding PSUs are cancelled immediately with no further amount payable thereafter.

[However, if your employment terminates (other than for Cause) after you have attained age fifty-five (55) and completed at least ten (10) years of service with the Company (including, for this purpose, service with IBM for individuals whose employment was transferred from IBM to the Company in connection with the Spin-Off), you may be eligible for continued PSU vesting upon your retirement from the Company. **Note:** You must have completed one (1) year of active service with the Company measured from the PSU date of grant (as set forth in this Equity Award Agreement) for continued vesting.

You must also satisfy the following conditions to be eligible for continued vesting:

- You provide at least six (6) months' written notice of your retirement to the HRVP for your business unit (which period may be waived or shortened if acknowledged in writing by the plan administrator);
- You do not voluntarily terminate employment prior to the agreed upon retirement date;
- Your employment is not terminated for Cause; and
- You sign and do not revoke a separation agreement and general release that will include, among other things, a release of any and all claims that you may have against the Company, and any of its employees, directors, or agents; confidentiality and trade secret commitments; a non-solicitation of Company employees for two (2) years, and except to the extent waived by the Company for retirees outside the United States or where such waiver is required by local law for retirees in the United States (in writing by the plan administrator), a two-year non-competition commitment and a two-year non-solicitation of Company clients.

The PSUs granted hereunder shall be paid out on the Date of Payout (as set forth in this Equity Award Agreement) in an amount that will be prorated for the time that you work as an active executive during the PSU Performance Period, and adjusted for the performance score determined for the entire applicable performance period(s).]

[However, if your employment terminates (other than for Cause) at the time that you cease to be an active employee (provided you are not terminated for cause) and you have attained age fifty-five (55) and completed at least ten (10) years of service with the Company (including, for this purpose, service with IBM for individuals whose employment was transferred from IBM to the Company in connection with the Spin-Off), you may be eligible for continued PSU vesting upon your retirement from the Company. Note: You must have completed one (1) year of active service with the Company measured from the PSU date of grant (as set forth in this Equity Award Agreement) for continued vesting. The one-year active service requirement, however, will be waived under the following circumstances:

- You remain employed with the Company through _____ (or such earlier date as approved by the Board); or
- You are involuntarily separated from the Company, provided such separation is not for Cause.

If you voluntarily resign prior to (i) _____ or (ii) such earlier date as approved by the Board, this Award, if payable, shall be paid out on the Date of Payout (as set forth in the Equity Award Agreement) and the number of PSUs payable hereunder will be prorated based on the time that you were employed with the Company during the PSU Performance Period, and adjusted for the performance score determined for the entire applicable performance period(s); provided, however, that if you are involuntarily terminated by the Company other than for Cause before the end of the Performance Period, no proration will apply to the number of PSUs payable to you. Additionally, you must meet the following requirements in order for you to be eligible for continued vesting of outstanding PSUs following your Termination of Employment if you provide at least six (6) months' written notice of your retirement to the HRVP for your business unit (which period may be waived or shortened if acknowledged in writing by the plan administrator). You will also be required to sign and do not revoke a separation agreement and general release that will include, among other things, a release of any and all claims that you may have against the Company, and any of its employees, directors, or agents; confidentiality and trade secret commitments; a non-solicitation of Company employees for two (2) years, and except to the extent waived by the Company for retirees outside the United States or where such waiver is required by local law for retirees in the United States (in writing by the plan administrator), a two-year non-competition commitment and a two-year non-solicitation of Company clients.]

B. <u>Death or Disability</u>

In the event you become disabled (as described in Section 12 of the Amended Plan), or death, all PSUs covered under this Equity Award Agreement shall continue to vest according to the terms of your Award. The PSUs will be

paid on the Date of Payout, based on Company performance, if applicable, over the entire applicable Performance Period(s).

C. Leave of Absence

In the event of a management approved leave of absence, any unvested PSUs shall continue to vest as if you were an active employee of the Company, subject to the terms of this Equity Award Agreement.

D. Dividend Equivalents

Prior to the distribution of shares with respect to PSUs pursuant to this Equity Award Agreement, you shall not have ownership or rights of ownership of any shares underlying the PSUs; provided, however, you shall accrue cash dividend equivalents with respect to the PSUs subject to this Award, whether vested or unvested, if cash dividends on the Common Stock are paid to stockholders of the Company on or after the PSU grant date and prior to the date on which the PSUs are settled. Specifically, when cash dividends are paid with respect to a share of outstanding Common Stock, an amount of cash per PSU equal to the cash dividend paid with respect to a share of outstanding Common Stock will be accrued with respect to each PSU. Dividend equivalents will be subject to the same vesting conditions and payment terms set forth herein as the shares to which they relate, but will be paid in cash to the extent the underlying PSUs vest based on the Company's actual performance. The dividend equivalents shall be treated as earnings on, and as a separate amount from, the PSUs for purposes of Section 409A of the Code.

E. Prior IBM Service

If you were transferred to the Company in connection with the Spin-Off, then you will have prior service with IBM (as reflected in the Company's system of record) counted as if it were service with the Company for purposes of determining years of service under your Award.

8. COUNTRY SPECIFIC TERMS AND CONDITIONS

A. Argentina

English Language Consent

You confirm that you have read and understood the terms and conditions of the Amended Plan and this Equity Award Agreement, which were provided in English. You accept and consent to the terms of the documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, being drawn up in English.

B. Canada

Form of Settlement

Notwithstanding any discretion contained in the Amended Plan or this Equity Award Agreement, the PSUs will be settled only in shares. The PSUs do not provide any right for you to receive a cash payment in settlement of the PSUs.

Nature of Grant

Notwithstanding any provision of the Equity Award Agreement to the contrary, in the event your employment is terminated (whether or not later found to be invalid or unlawful for any reason, including for breaching either applicable employment laws or your employment agreement, if any) your right to vest in the PSUs under the Amended Plan, if any, will terminate effective on the earliest of: (a) the date that your employment with the Company is terminated; and (b) the date that you receive notice of termination of your employment with the Company, regardless of any notice period, period of pay in lieu of such notice or related payments or damages provided or required to be provided under applicable employment law in the jurisdiction where you are employed or

the terms of your employment agreement, if any. You will not earn or be entitled to any pro-rated vesting for that portion of time before the date on which your right to vest terminates, nor will you be entitled to any compensation for lost vesting. Notwithstanding the foregoing, if applicable employment standards legislation explicitly requires continued entitlement to vesting during a statutory notice period, your right to vest in the PSUs under the Amended Plan, if any, will terminate effective as of the last day of your minimum statutory notice period, but you will not earn or be you Participant be entitled to any compensation for lost vesting. This does not affect your eligibility for continued vesting under Section 7.

The following terms and conditions apply if you reside in Quebec:

The parties acknowledge that it is their express wish that this Equity Award Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English.

C. Denmark

Non-Solicitation

The following non-solicitation clause will replace the above-non-solicitation provision for individuals with the home country of Denmark:

In consideration of your Award, you agree that during your employment with the Company, you will not directly or indirectly, solicit, for competitive business purposes, any customer of the Company. By accepting your Award, you acknowledge that the Company would suffer irreparable harm if you fail to comply with the foregoing, and that the Company would be entitled to any appropriate relief, including money damages, equitable relief and attorneys' fees.

D. France

English Language Consent

In addition to the English language provisions below, by accepting the grant of PSUs, you confirm having read and understood the Amended Plan and this Equity Award Agreement which were provided in English. You accept the terms and conditions of those documents accordingly.

E. Hong Kong

Settlement of Vested PSUs

The following provision supplements Section 9 (Payment of PSU Awards) of this Equity Award Agreement:

Notwithstanding any discretion set forth in the Amended Plan or this Equity Award Agreement, the PSUs will be settled only in shares. The PSUs do not provide any right for you to receive a cash payment in settlement of the PSUs.

Any shares received by you upon settlement of the PSUs are accepted by you as a personal investment. If, for any reason, the PSUs vest and become non-forfeitable and shares are issued or transferred to you within six (6) months after the PSU grant, you agree that you will not offer the shares to the public in Hong Kong or otherwise dispose of any such shares prior to the six (6) month anniversary of the PSU grant date.

F. Mexico

Labor Law Acknowledgement and Policy Statement

By accepting the PSUs, you acknowledge that the Company, is solely responsible for the administration of the Amended Plan. You further acknowledge that your participation in the Amended Plan, the grant of PSUs and any

acquisition of shares under the Amended Plan does not constitute an employment relationship between you and the Company because you are participating in the Amended Plan on a wholly commercial basis. Based on the foregoing, you expressly acknowledge that the Amended Plan and the benefits that you may derive from participation in the Amended Plan do not establish any rights between you and the Company, and do not form part of the employment conditions and or benefits provided by the Company, and any modification of the Amended Plan or its termination shall not constitute a change or impairment of the terms and conditions of your employment.

You further understand that your participation in the Amended Plan is as a result of a unilateral and discretionary decision of the Company; therefore, the Company reserves the absolute right to amend and/or discontinue your participation at any time without any liability to you.

Finally, you hereby declare that you do not reserve any action or right to bring any claim against the Company for any compensation or damages regarding any provision of the Amended Plan or the benefits derived under the Amended Plan, and you therefore grant a full and broad release to the Company, branches, representative offices, shareholders, directors, officers, employees, agents, or legal representatives with respect to any claim that may arise.

Securities

You acknowledge that the PSUs, this Equity Award Agreement, the Amended Plan and all other materials that you may receive regarding participation in the Amended Plan do not constitute advertising or an offering of securities in Mexico. The shares acquired pursuant to the Amended Plan have not and will not be registered in Mexico and therefore, neither the PSUs nor the shares may be offered or publicly circulated in Mexico.

G. Portugal

English Language Consent

You hereby expressly declare that you have full knowledge of the English language and have read, understood and fully accepted and agreed with the terms and conditions established in the Amended Plan and this Equity Award Agreement.

H. Spain

Labor Law Acknowledgment

This provision supplements the acknowledgements contained in Section 2 (Nature of Grant) of this Equity Award Agreement:

In accepting the grant of PSUs, you consent to participation in the Amended Plan and acknowledge that you have received a copy of the Amended Plan.

You understand that the Company has unilaterally, gratuitously and in its own discretion decided to grant PSUs under the Amended Plan to certain individuals who may be employees of the Company. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not bind the Company, other than as set forth in this Equity Award Agreement. Consequently, you understand that the PSUs are granted on the assumption and condition that the PSUs and any shares acquired upon settlement of the PSUs are not a part of any employment contract (with the Company) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation), or any other right whatsoever. Further, you understand that the PSUs would not be granted to you but for the assumptions and conditions referred to above; thus, you acknowledge and freely accept that should any or all of the assumptions be mistaken, or should any of the conditions not be met for any reason, any grant of or right to the PSUs shall be null and void.

I. United Kingdom

Responsibility for Tax-Related Items

Without limitation to Section 12 of this Equity Award Agreement, you hereby agree that you are liable for all Tax-Related Items and hereby covenant to pay all such Tax-Related Items, as and when requested by the Company or by Fidelity (or any other tax authority or any other relevant authority). You also hereby agree to indemnify and keep indemnified the Company against any Tax-Related Items that they are required to pay or withhold or have paid or will pay on your behalf to Fidelity (or any other tax authority or any other relevant authority).

Notwithstanding the foregoing, if you are a director or executive officer of the Company (within the meaning of Section 13(k) of the Securities Exchange Act of 1934), the terms of the immediately foregoing provision will not apply.

J. United States

Trade Secrets

Nothing in the Amended Plan, prospectus, or this Equity Award Agreement affects your rights, immunities, or obligations under any federal, state, or local law, including under the Defend Trade Secrets Act of 2016 (DTSA), as described in Company policies, or prohibits you from reporting possible violations of law or regulation to a government agency, as protected by law. In accordance with the DTSA, you shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret if the disclosure (i) is made (1) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and (2) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. If you file a lawsuit for retaliation by the Company for reporting a suspected violation of law, you may disclose trade secrets to your attorney and use the trade secret information in such court proceeding, provided that you (i) file any document containing the trade secret under seal, and (ii) do not disclose the trade secret, except pursuant to court order.

You acknowledge that you have been advised by Kyndryl to consult with counsel of your choosing concerning the contents of this Equity Award Agreement.

Cancellation, Recission and Clawback

For the avoidance of doubt, unless further prohibited by law, the cancellation and rescission provisions of the Amended Plan will apply if you engage in (1) any Detrimental Activity as described in Section 13(a) of the Amended Plan prior to your employment relationship ending with the Company or (2) any Detrimental Activity described in Section 13(a) of the Amended Plan other than engaging in competitive activities after your employment relationship has ended with the Company, as described in Section 13(a)(i) of the Amended Plan.

The cancellation, rescission and clawback provisions of the Amended Plan that apply if you engage in Detrimental Activity, as described in Section 13(a)(i) of the Amended Plan during your employment with the Company, constitute “non-competition restrictions” which may affect your ability to obtain future employment. The cancellation and rescission provisions of the Amended Plan that apply if you engage in Detrimental Activity, as described in Section 13(a)(vi) of the Amended Plan during or after your employment with the Company, as well as the restrictions in Section 3 of this Equity Award Agreement, constitute “non-solicitation restrictions.” By accepting this Award, you acknowledge that this Equity Award Agreement specifies valuable, mutually agreed, independent consideration (in the form of stock grants and/or long-term cash awards) for the non-competition and non-solicitation restrictions contained in this Equity Award Agreement, and that the non-solicitation restrictions referenced in this Equity Award Agreement are supported by valuable, mutually-agreed, independent consideration to which you are not otherwise entitled.

If you reside in or work from an office in Colorado, District of Columbia, or Illinois, you may consider this Equity Award Agreement for up to fourteen (14) days prior to signing it. If you reside in or work from an office in

Massachusetts, this Equity Award Agreement will take effect no sooner than ten (10) business days after if it is signed by both you and the Company.

Nothing in this Section 8 is intended to supersede or modify the New York choice-of-law provision in Section 5 of this Equity Award Agreement, except with respect to the enforceability of the noncompetition and non-solicitation restrictions, and then only to the extent you work in a state with a statute that provides solely for the law of that particular state to apply, and have worked in that state in the thirty (30) days prior to your execution of this Equity Award Agreement.

9. PAYMENT OF PSU AWARDS

Subject to Sections 12 and 13 of the Amended Plan and Section 7 of this Equity Award Agreement, on the Date of Payout above, the Company shall (1) deliver to you a number of shares of Common Stock equal to the number of your vested and earned PSUs, or (2) make a cash payment to you equal to the Fair Market Value on the Date of Payout of the number of your vested and earned PSUs at the end of the Performance Period, except where cash payment is prohibited under local law. The aforementioned payment in shares is not applicable in countries in which the Company has determined that the Awards will be paid in cash. In such non-US cash-settled countries, the Company shall make a cash payment equal to the Fair Market Value on the Date of Payout of the number of your vested and earned PSUs at the end of the Performance Period. In either case, the net of any applicable tax withholding, and the respective PSUs shall thereafter be cancelled. Such payment in shares or cash shall be made as soon as practicable following the Date of Payout of the Award, but in all events no later than 2 ½ months following the end of the Performance Period, and will equal the earned portion of the Award, subject to the terms and conditions of the Amended Plan and this Equity Award Agreement.

10. TRANSFERABILITY

You may not transfer or assign, pledge, pay to, exercise or otherwise encumber any PSUs under this Equity Award Agreement prior to the settlement of the Award by anyone other than you, except by law, will or the laws of descent and distribution. Notwithstanding the foregoing, in no event shall PSUs be transferable or assignable other than by will or by the laws of descent and distribution.

Any shares issued or transferred, if applicable, shall be subject to your compliance with policies as the Committee or the Company may deem advisable from time to time, including without limitation, any policies relating to certain minimum share ownership requirements, including, but not limited to, the Company's Stock Ownership Guidelines, if applicable. Such policies shall be binding upon the permitted respective legatees, legal representatives, successors and your assignees. The Company shall give notice of any such additional or modified terms and restrictions applicable to shares delivered or deliverable under this Equity Award Agreement to the holder of the PSUs and/or the shares so delivered, as appropriate, pursuant to the provisions of Section 11 or, if a valid address does not appear to exist in the Company system of record, to the last address known by the Company of such holder. Notice of any such changes may be provided electronically, including, without limitation, by publication of such changes to a central website to which any holder of the PSUs or shares issued therefrom has access.

11. NOTICES

Any notice to be given under this Equity Award Agreement shall be addressed to the Company in care of its Chief Human Resources Officer at:

Kyndryl, Inc.
1 Vanderbilt Avenue, 15th Floor
New York, NY 10017
USA
Attn: Chief Human Resources Officer

(or, if different, the then-current principal business address of the duly appointed Chief Human Resources Officer of the Company) and to you at the address appearing in the Company's records for you or to either party at such other address as either party may hereto may hereafter designate in writing to the other. Any such notice shall be deemed effective upon receipt thereof by the addressee.

12. TAX WITHHOLDING

a. Regardless of any action the Company takes with respect to any and all income tax (including U.S. federal, state and local taxes or non-U.S. taxes), social insurance, payroll tax, fringe benefit, payment on account or other tax-related withholding that in the opinion of the Company is required by law ("Tax-Related Items"), you acknowledge that the ultimate liability for all Tax-Related Items legally due by you is and remains your responsibility and that the Company (i) makes no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Awards, including the grant of the Awards, the vesting of Awards, the delivery or sale of any shares or cash acquired pursuant to the Awards and the issuance of any dividends, if applicable, and (ii) will make every attempt to, but does not commit to structure the terms of the grant of any aspect of Awards to reduce or eliminate your liability for Tax-Related Items.

b. To the extent that the grant or vesting of Awards, the delivery of shares or cash pursuant to the PSUs or the issuance of dividend equivalents, if applicable, results in a withholding obligation for Tax-Related Items, unless otherwise specifically approved and directed by the Committee, you authorize the Company or agent of the Company to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following:

   (i) withholding from your wages or other cash compensation paid to you by the Company;

   (ii) withholding from proceeds of the sale of shares acquired upon settlement of Awards either through a voluntary sale or through a mandatory sale arranged by the Company (on your behalf pursuant to this authorization without further consent); or

   (iii) withholding from the shares to be delivered upon settlement of Awards that number of shares having a Fair Market Value equal to the amount required by law to be withheld. If you are subject to taxation in more than one jurisdiction, you acknowledge that the Company may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

c. You agree to pay to the Company any amount of Tax-Related Items that the Company may be required to withhold or account for as a result of your participation in the Amended Plan that cannot be satisfied by the means previously described. The Company may delay issuance or delivery of the shares, cash or the proceeds of the sale of shares until such time arrangements have been made to ensure the remittance of all taxes due from you in connection with Tax-Related Items if you fail to comply with such Tax-Related Items.

d. You hereby acknowledge that you will not be entitled to any interest or appreciation on shares sold to satisfy the tax withholding requirements (including with respect to any amounts withheld in excess of your tax liability).

e. Regardless of any taxes that are withheld, you are solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on or in respect of your PSUs, including any taxes and penalties under Section 409A of the Code, and the Company has no obligation to indemnify or otherwise hold you harmless from any or all of such taxes or penalties.

13. PSUs SUBJECT TO THE PLAN

By entering into this Equity Award Agreement, you agree and acknowledge that you have received and read a copy of the Amended Plan. All PSUs are subject to the Amended Plan. In the event of a conflict between any term or condition contained herein and a term or provision of the Amended Plan, the applicable terms and conditions of the Amended Plan will govern and prevail.

14. AMENDMENTS

The rights and obligations under this Equity Award Agreement and their enforceability are subject to local tax and foreign exchange laws and regulations and, in this sense, the terms and conditions herein may be amended by the sole discretion of the Board in order to comply with any such laws and regulations. The Board may also make

amendments without consent to the extent the amendment does not impair a Participant's rights under the Amended Plan.

15. SIGNATURE IN COUNTERPARTS

To the extent that this Equity Award Agreement is manually signed, instead of electronically accepted by you (if permitted by the Company), it may be signed in counterparts, each of which shall be deemed an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

16. ADMINISTRATION AND CONSENT

In order to manage compliance with the terms of this Equity Award Agreement, shares delivered pursuant to this Equity Award Agreement may, at the sole discretion of the Company, be registered in the name of the nominee for the holder of the shares and/or held in the custody of a custodian until otherwise determined by the Company. The form of the custody agreement and the identity of the custodian and/or nominee shall be as determined from time to time by the Company in its sole discretion. A holder of shares delivered pursuant to this Equity Award Agreement acknowledges and agrees that the Company may refuse to register the transfer of and enter stop transfer orders against the transfer of such shares except for transfers deemed by it in its sole discretion to be in compliance with the terms of this Equity Award Agreement. The Company reserves the right to impose other requirements to the extent the Company determines, in its sole discretion, that such other requirements are necessary or advisable in order to comply with local laws, rules and/or regulations or to facilitate the operation and administration of the PSUs and the Amended Plan. This includes the PSUs, any shares you acquire pursuant to the PSUs and your participation in the Amended Plan. Such requirements may include (but are not limited to) requiring you to sign any agreements, undertakings or additional documents that may be necessary to accomplish the foregoing. You agree to take such other actions as may be deemed reasonably necessary or desirable by the Company to effectuate the provisions of this Equity Award Agreement, as in effect from time to time. As a holder of shares delivered pursuant to this Equity Award Agreement or any prior agreement between you and the Company, you acknowledge and agree that the Company may impose a legend on any document relating to shares issued or issuable pursuant to this Equity Award Agreement conspicuously referencing the restrictions applicable to such shares, and may instruct the administrator of any brokerage account into which shares have been initially deposited to freeze or otherwise prevent the disposition of such shares.

17. ENGLISH LANGUAGE

If you are a resident in a country where English is not an official language, you acknowledge and agree that it is your express intent that this Equity Award Agreement, the Amended Plan and all other documents, notices and legal proceedings entered into, given or instituted pursuant to the grant of PSUs, be drawn up in English. You acknowledge that if have received this Equity Award Agreement, the Amended Plan or any other document related to the PSUs translated into a language other than English, and if the meaning of the translated version is different than the English version, the English version will control.

18. SECTION 409A – DISABILITY; DEFERRAL ELECTIONS

If you reside in the United States and are subject to income taxation on the income resulting from this Equity Award Agreement under the laws of the United States, and the foregoing provisions of this Equity Award Agreement would result in adverse tax consequences to you, as determined by the Company, under Section 409A of the Code, then the following provisions shall apply and supersede the foregoing provisions:

a. "Disability" shall mean a disability within the meaning of Section 409A(a)(2)(C) of the Code.

b. Deferral elections made by United States taxpayers are subject to Section 409A of the Code. The Company will use commercially reasonable efforts to not permit PSUs to be deferred, accelerated, released, extended, paid out or modified in a manner that would result in the imposition of an additional tax under Section 409A of the Code. In the event that it is reasonably determined by the Company that, as a result of Section 409A of the Code, payments or delivery of the shares underlying the PSU award granted pursuant to this Equity Award Agreement may not be made at the time contemplated by the terms of the Awards, as the case may be, without causing you to be subject to taxation under Section 409A of the Code, the Company will make such payment or share delivery as soon as practicable on or following the first date that would

not result in you incurring any tax liability under Section 409A of the Code, and in any event, no later than the last day of the calendar year in which such first date occurs or two and half months following the first date in which the first date occurs.

c. If you are a "specified employee" (within the meaning of Section 409A(a)(2)(B)(i) of the Code), payments and deliveries of shares or cash in respect of any PSUs subjection to Section 409A of the Code that are payable upon your separation from service shall not be made prior to the date which is six (6) months after the date of your separation from service from the Company, determined in accordance with Section 409A of the Code and the regulations promulgated thereunder or, if earlier, your death.

d. The Company shall use commercially reasonable efforts to avoid subjecting you to any additional taxation under Section 409A of the Code as described herein; provided that neither the Company nor any of its employees, agents, directors or representatives shall have any liability to you with respect to Section 409A of the Code.

19. REPATRIATION; COMPLIANCE WITH LAW

If you are resident or employed outside the United States, you agree to repatriate all payments attributable to the shares and/or cash acquired under the Amended Plan in accordance with applicable foreign exchange rules and regulations in your country of residence (and country of employment, if different). In addition, you agree to take any and all actions, and consent to any and all actions taken by the Company, as may be required to allow the Company to comply with local laws, rules and/or regulations in your country of residence (and country of employment, if different). Further, you agree to take any and all actions as may be required to comply with your personal obligations under local laws, rules and/or regulations in your country of residence (and country of employment, if different).

20. INSIDER TRADING / MARKET ABUSE LAWS

By participating in the Amended Plan, you agree to comply with the Company's Insider Trading Policy (Securities Trading Policy). You further acknowledge that you may be subject to local insider trading and/or market abuse laws and regulations that are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. You acknowledge that it is your personal responsibility to comply with any applicable restrictions, and that you should consult your personal advisor on this matter.

21. WAIVER

No waiver of any breach or condition of this Equity Award Agreement shall be deemed to be a waiver of any other or subsequent breach or condition, whether of like or different nature.

22. ENTIRE AGREEMENT

This Equity Award Agreement, including the Amended Plan contain the entire agreement between the parties with respect to the subject matter therein and supersedes all prior oral and written agreement between the parties pertaining to such matters. You acknowledge and agree that this Equity Award Agreement, including the Amended Plan, and all prior PSUs or other equity grant agreements [or Restrictive Covenants] between the Company, on the one hand, and you, on the other, are separate from, and shall not be modified or superseded in any way by any other agreements, including employment agreements, entered into between you and the Company.

IN WITNESS WHEREOF, the parties hereto have executed this Equity Award Agreement effective as of the Date of Grant set forth in this Equity Award Agreement.

KYNDRYL HOLDINGS, INC.

By:

Maryjo Charbonnier
Chief Human Resources Officer

[IF NOT ELECTRONICALLY ACCEPTED]

PARTICIPANT

_____
Signature

_____
Print Name

_____
Date

_____
Employee ID

Kyndryl

Exhibit A to PSU Equity Award Agreement

Vesting; Calculating Achievement of Performance Criteria

You can earn the PSUs awarded above based on Kyndryl's performance in achieving during the Performance Period the performance criteria set forth in materials presented to and approved by the Committee and described below. As soon as practicable following the completion of the Performance Period, the Committee shall determine, in its sole discretion, the achievement with respect to the performance criteria described below and will calculate the "% of Target Payout" based on the actual level of achievement of the performance criteria. The performance criteria shall not be achieved and no PSUs shall be vested until the Committee certifies in writing the extent to which the performance criteria have been achieved. All determinations with respect to whether, and the extent to which, the performance criteria have been achieved shall be made by the Committee in its sole discretion.

The number of PSUs that are eligible to be earned shall be based on the Committee's certification of the achievement of the performance criteria established by the Committee, with the number of PSUs earned in respect of achievement of the performance criteria equal to the product of (1) the target number of PSUs awarded times (2) the applicable "% of Target Payout" achieved with respect to the performance criteria, and further adjusted for the TSR modifier described below. The number of PSUs earned shall be rounded up or down to the nearest whole PSU.

If the actual performance with respect to the performance criteria determined by the Committee is between (i) the "Threshold" and "Target" or "Target Range" (as applicable) levels of achievement or (ii) the "Target" or "Target Range" (as applicable) and "Maximum" levels of achievement, then the "% of Target Payout" shall be determined by linear interpolation (and rounded to the nearest tenth of a whole percent).

Any PSUs that do not become vested based on the actual achievement of the performance criteria during the Performance Period will be forfeited for no consideration therefore as of the Date of Payout.

Performance Criteria

I. Adjusted Operating Cash Flow - 100% Weighting

"Adjusted Operating Cash Flow" is defined as cash flows from operating activities (GAAP) after adding back transaction-related payments, charges related to lease terminations, payments related to workforce rebalancing charges incurred prior to March 31, 2024, and significant litigation payments.

Level of Achievement	**Below Threshold**	**Threshold**	**Target**	**Maximum**
Goal Attainment %	< 80%	80%	100%	120%
% of Target Payout (excl. rTSR Modifier)	0%	50%	100%	150%

A. Relative TSR Modifier

The Adjusted Operating Cash Flow is subject to a payout modifier based on the percentile rank of Kyndryl's total shareholder return relative to the comparison group of companies (the "Peer Group," and each member thereof, a "Peer Company" and such percentile rank, "Relative TSR") during the performance period beginning on _____, and ending on _____. For purposes of determining Relative TSR, the Peer Group will consist of the constituents of the S&P 400 Mid-Cap Index as of _____.

As shown below, there will be a 20% reduction in your payout if the Relative TSR ranks at or below the 25th percentile, a 20% increase if we rank at or above the 75th percentile, and an adjustment determined on a linear basis if we rank in between these levels.

Level of Achievement	Minimum	Target	Maximum
Goal Attainment % of rTSR Rank	25th Percentile	100%	75th Percentile
Modifier Adjustment Percent Applied to AOCF Performance	-20%	No Adjustment	+20%

Each Peer Company's total shareholder return ("TSR") will be measured over the Performance Period using the following equation:

$$TSR = \frac{Adjusted\ End\ Price - Start\ Price}{Start\ Price}$$

"Adjusted End Price" means the average closing stock price of the five trading days ending on the last day of the Performance Period. Includes dividends during the Performance Period, which are assumed to be reinvested in additional shares on the issuing entity's stock as of the ex-dividend date.

"Start Price" means the average closing stock price of the five trading days ending on the first day of the Performance Period.

At the end of the Performance Period, Kyndryl's TSR percentile rank will be calculated using the equation below, where *X* equals the total number of Peer Companies with a TSR less than Kyndryl's TSR, and *Y* equals the number of Peer Companies, including Kyndryl, minus 1, rounded to the nearest hundredth.

$$Percentile\ Rank = \frac{X}{Y}$$

Notwithstanding the foregoing, if Kyndryl's TSR at the end of the Performance Period is negative, a positive rTSR modifier will not be applied, regardless of Kyndryl's relative rank.

Notwithstanding the foregoing, the maximum payout value of the PSU award, including stock price appreciation from the date of grant, will be 400% of the target number of PSUs multiplied by the grant date closing stock price, as measured by the closing stock price on the last day of the performance period.

A member of the Peer Group will be removed if: (i) during the Performance Period, the constituent company makes a public disclosure of its intent or agreement to enter into a merger or sale with another company, after which the constituent company will no longer be listed on a securities exchange; or (ii) it is not listed on a securities exchange for the entire Performance Period; provided, that a company that becomes subject to a proceeding as a debtor under the U.S. Bankruptcy Code during the Performance Period will be included with TSR equal to -100%.

Adjustments to Performance Criteria

Adjustments to the performance criteria will be determined by the Committee in accordance with the established adjustment policy, which includes (among others):

- Currency Impacts – predetermined financial results are updated to remove the impact from currency movements;

- Accounting and Tax Changes – any changes in GAAP or other Accounting Standards as well as tax laws that result in a material impact to financial results;

- Acquisitions or divestitures not included in the target;

- Special items as disclosed in Kyndryl's public financial reporting, including but not limited to, impairment and gains/losses on divestitures or asset sales, effect of changes in accounting principles, tax law, or other laws or provisions affecting reported results;

- Material changes to commercial agreements driven by a change in IBM strategy; or

- Cash usage associated with the deployment of any long-term incentive cash-deferred plans (not applicable to the Company's Annual Incentive Plan).

The Committee shall have the discretion to determine whether, when and to what extent an adjustment is necessary or advisable based upon consideration of such factors the Committee deems appropriate in light of the facts and circumstances.

Notwithstanding the foregoing, no adjustments will be made to performance criteria due to planned acquisitions or divestitures or customer terminations or loss of scope (excluding loss of non-novated contracts).

Exhibit 10.26

Kyndryl

Restricted Stock Units Equity Award Agreement
Confidential

Plan	**Amended and Restated Kyndryl 2021 Long-Term Performance Plan (the "Plan" or "Amended Plan")**
Award Type	**[Restricted Stock Units, Cash-Settled Restricted Stock Units]**
Purpose	The purpose of this Award is to reward and retain the services of the recipient. You recognize that this Award represents a potentially significant benefit to you and is awarded for the purpose stated here. Capitalized terms not specifically defined in this Equity Award Agreement have the meanings given to them in the Amended Plan.
Awarded to **Employee ID** **Home Country**	**[Participant Name]**
Award Agreement	This Equity Award Agreement, together with the Amended Plan, which is incorporated herein by reference, constitute the entire agreement between you and Kyndryl with respect to your Award pursuant to Section 22 of this Equity Award Agreement. You acknowledge and agree the Amended Plan is available on Fidelity.
Grant	Date: **[Grant Date]** Grant Price: **[Grant Date FMV]** Number of Units Granted: **[Number Awards Granted]**
Vesting	This Award vests as set forth below, subject to your continued employment with Kyndryl as described in this Equity Award Agreement.

Date	**Units**
[Vest Date 1]	
[Vest Date 2]	
[Vest Date 3]	
[Vest Date 4]	

Payout of Award	Subject to Sections 12 and 13 of the Amended Plan and Section 7 of this Equity Award Agreement, upon the "Vesting" date(s) indicated above, the Company shall either (1) deliver to you a number of shares of Common Stock equal to the number of your vested RSUs, or (2) make a cash payment to you equal to the Fair Market Value on the Vesting date of the number of your vested RSUs, except where cash payments are prohibited under local law. The aforementioned payment in shares is not applicable in countries in which the Company has determined that the Awards will be deemed to be paid in cash. In such deemed cash-settled countries, the Company shall make a cash payment equal to the Fair Market Value on the Vesting date of the number of your vested RSUs. In either case, the net of any applicable tax withholding, and the respective RSUs shall thereafter be cancelled. Such payment in shares or cash shall be made as soon as practicable following the time vesting of any portion of the

Award, but in all events no later than 2 ½ months following the year in which your Award vests, subject to the terms and conditions of the Amended Plan and this Equity Award Agreement.

Accept Your Award

This Award is considered valid when you accept it. By accepting this Award, you agree to be bound by, and agree that the Award is subject in all respects to, the terms of the Amended Plan and the Equity Award Agreement. This Award may be cancelled unless you accept within ninety (90) days of receipt. By accepting this Award at Fidelity, you acknowledge having received and read this Equity Award Agreement and the Amended Plan under which this Award was granted and you agree (i) not to hedge the economic risk of this Award or any previously-granted outstanding awards, which includes entering into any derivative transaction on Kyndryl securities (e.g., any short sale, put, swap, forward, option, collar, etc.), and (ii) to comply with the terms of the Amended Plan and this Equity Award Agreement, including, as applicable, those provisions relating to cancellation, rescission and clawback of Awards, jurisdiction and/or local laws, and governing law.

Kyndryl
Restricted Stock Units Equity Award Agreement

Terms and Conditions of Your Award

Pursuant to the Amended Plan, the Company has granted you the Award described in this Equity Award Agreement. This Equity Award Agreement provides you with the terms and conditions of your Award. Your Award is subject to the terms and conditions in the governing Amended Plan document.

As an Award recipient, you can see a personalized summary of all your outstanding equity awards at Kyndryl's Fidelity NetBenefits website. This site contains other information about long-term incentive awards, including copies of the prospectus, and the governing Amended Plan document. If you have additional questions and you are based in the U.S., you can contact Fidelity at 800-544-9354, from 5:00 p.m. Sunday through 12:00 a.m. Friday Eastern time. Outside of the U.S. you can use the Fidelity Guide to choose the local Fidelity number for your country.

1. DEFINITION OF TERMS

Defined Terms. Capitalized terms not specifically defined herein shall have the meanings given to them in the Amended Plan. For purposes of this Equity Award Agreement:

a. "Award" means the grant of any form of stock option, stock or cash award, whether granted singly, in combination or in tandem, to a Participant pursuant to such terms, conditions, performance requirements, limitations and restrictions as the Committee may establish in order to fulfill the objectives of the Amended Plan.

b. "Board" means the Board of Directors of Kyndryl.

c. "Common Stock" means authorized and issued or unissued Common Stock of Kyndryl, at such par value as may be established from time to time.

d. "Committee" means the committee designated by the Board to administer the Amended Plan.

e. "Company" means Kyndryl and its affiliates and subsidiaries including subsidiaries of subsidiaries and partnerships and other business ventures in which Kyndryl has an equity interest.

f. "Code" means the Internal Revenue Code of 1986, as amended from time to time.

g. "Engage in or Associate with" means and includes, without limitation, engagement or association as a sole proprietor, owner, employer, director, partner, principal, joint venture, associate, employee, member, consultant, or contractor. This also includes engagement or association as a shareholder or investor during the course of your employment with the Company, and includes beneficial ownership of five percent (5%) or more of any class of outstanding stock of a competitor of the Company following the termination of your employment with the Company.

h. "Equity Award Agreement" means this Equity Award Agreement which provides the Participant's grant details.

i. "Fair Market Value" means the average of the high and low prices of Common Stock on the New York Stock Exchange for the date in question, provided that, if no sales of Common Stock were made on said exchange on that date, the average of the high and low prices of Common Stock as reported for the most recent preceding day on which sales of Common Stock were made on said exchange. Fair Market Value

will be calculated in the Participant's home currency at the exchange rate on the applicable Vesting date using a commercially reasonable measure of exchange rate.

j. "Kyndryl" means Kyndryl Holdings, Inc.

k. "Participant" means an individual to whom an Award has been made under the Amended Plan. Awards may be made to any employee of, or any other individual providing services to, the Company.

l. "Plan" or "Amended Plan" means the Amended and Restated Kyndryl 2021 Long-Term Performance Plan, effective July 27, 2023.

m. ["Restrictive Covenants" means any obligation you have to the Company under any policy or agreement relating to your non-use or nondisclosure of Company confidential information or trade secrets, non-solicitation of employees, customers, clients, vendors, or other third-parties, or your non-competition with the Company, in each case during your employment and for certain periods thereafter, including, without limitation, your obligation under any noncompetition agreement with the Company or an International Business Corporation ("IBM") affiliate prior to the Spin-Off, which you acknowledge and agree has been assigned to and is enforceable by Kyndryl.]

n. "RSUs" means Restricted Stock Units under your Award. All references in this Equity Award Agreement to RSUs include Retention RSUs ("RRSUs"), unless explicitly stated otherwise.

o. "Spin-Off" means the distribution of shares of Common Stock to the stockholders of International Business Machines Corporation in 2021 pursuant to the Separation and Distribution Agreement and the Employee Matters Agreement between the Company and International Business Machines Corporation entered into in connection with such distribution.

p. "Termination of Employment" means for the purposes of determining when you cease to be an employee for the cancellation of any Award, a Participant will be deemed to be terminated if the Participant is no longer employed by Kyndryl or a subsidiary corporation that employed the Participant when the Award was granted unless approved by a method designated by those administering the Amended Plan.

2. NATURE OF GRANT

In accepting the grant, you acknowledge, understand and agree to all of the following:

a. the Amended Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company in accordance with its terms for the purpose of meeting or addressing any changes in legal requirements or for any other purpose permitted by law;

b. you are voluntarily participating in the Amended Plan;

c. the grant of the Award is voluntary and occasional and does not create any contractual or other right to receive future grants (whether on the same of different terms), or benefits in lieu of Awards, even if an Award has been granted in the past;

d. your Award is subject to the Cancellation and Rescission provisions of Section 4 of this Equity Award Agreement.

e. all decisions with respect to future grants, if any, will be at the discretion of the Committee, including, but not limited to, the form and timing of the grant, the number of units subject to the grant, and the vesting provisions applicable to the grant;

f. the grant and your participation in the Amended Plan shall not create a right to employment or be interpreted as forming an employment or services contract with the Company and shall not interfere with the ability of the Company to terminate your employment or service relationship;

g. shares (or cash) will be issued to you only if the vesting conditions are met and any necessary services are rendered by you over the vesting period;

h. the RSUs and the shares (or cash) subject to the RSUs are not intended to replace any pension rights or compensation, if applicable;

i. the RSUs and the shares subject to the RSUs, and the income and value thereof, are an extraordinary item of compensation outside the scope of your employment or services (and employment or services contract, if any) and is not part of normal or expected compensation for any purpose, including, without limitation, calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments;

j. the future value of the shares underlying the RSUs is unknown, indeterminable and cannot be predicted with certainty;

k. no claim or entitlement to compensation or damages shall arise from forfeiture of RSUs resulting from your ceasing to be employed or otherwise providing services to the Company;

l. unless otherwise provided herein, in the Amended Plan or by the Company in its discretion, the RSUs and the benefits evidenced by this Equity Award Agreement do not create any entitlement to have the RSUs or any similar benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the shares of Kyndryl; and

m. if you reside or are employed outside of the United States, you acknowledge and agree that the Company shall not be liable for any exchange rate fluctuation between your local currency and the United States Dollar that may affect the value of the RSUs or of any amounts due to you pursuant to the settlement of the RSUs or the subsequent sale of any shares acquired upon settlement.

3. NON-SOLICITATION

a. In consideration of your Award, you agree that during your employment with the Company and for [one year][two years] following the termination of your employment for any reason, you will not directly or indirectly, or in any capacity on your behalf or on behalf of any other individual, firm, association, partnership, corporation, or other business entity, (i) hire, solicit, or make an offer to; or (ii) attempt to or participate or assist in any effort to hire, solicit, or make an offer to any Restricted Employee to be employed or to perform services outside of the Company. For the purposes of this Paragraph, a “Restricted Employee” is any person (i) who is an employee of the Company at the time of any conduct by you referenced in the preceding sentence, or (ii) who was an employee of the Company at any time in the twelve (12) month period immediately preceding any conduct by you referenced in the preceding sentence.

b. You also agree that during your employment with the Company and for [one year][two years] following the termination of your employment for any reason, you will not directly or indirectly, or in any capacity on your behalf or on behalf of any other individual, firm, association, partnership, corporation, or other business entity (i) solicit, for business purposes, any Restricted Customer of the Company; (ii) induce or attempt to induce any Restricted Customer to reduce, eliminate, or terminate its business with the Company; or (iii) divert or attempt to divert any business from a Restricted Customer to any entity that engages in, or owns or controls an interest in any entity that engages in, competition with any business unit or division of the Company in which you worked at any time during the three (3) year period prior to the termination of your employment with the Company. For the purposes of this Paragraph, “Restricted Customer” means any actual or prospective customer of the Company which you were directly or indirectly involved with, or exposed to confidential information about, as part of your job responsibilities during the last twelve (12) months of your employment with the Company. The term “Restricted Customer” shall not include any customer with whom you had a pre-existing relationship prior to becoming employed by the Company.

c. By accepting your Award, you acknowledge that the Company would suffer irreparable harm if you fail to comply with the foregoing, and that the Company would be entitled to any appropriate relief, including money damages, equitable relief and attorneys' fees.

The above non-solicitation provisions do not apply to you if your home country is in Latin America, specifically: Argentina, Bolivia, Brazil, Chile, Columbia, Costa Rica, Ecuador, Mexico, Paraguay, Peru, Uruguay, and Venezuela, or where explicitly stated otherwise in this Equity Award Agreement.

4. CANCELLATION AND RESCISSION OF AWARDS/CLAWBACK

a. You understand that the Company may cancel, modify, rescind, suspend, withhold or otherwise limit or restrict this Award in accordance with the terms of the Amended Plan, including without limitation, any policy and/or procedures established by the Committee as required by law, including, but not limited to Section 10D of the Securities Exchange Act of 1934, as amended and any rules promulgated thereunder and any other regulatory regimes. Further, Awards granted under the Amended Plan will be subject to clawback, forfeiture, recoupment, or similar requirements (and such requirements shall be deemed incorporated by reference into all outstanding Equity Award Agreements), including on a retroactive basis, in accordance with any clawback policy that the Company maintains, adopts or is required to adopt pursuant to listing standards of any national securities exchange or association on which the Company's securities are listed or another applicable law, including, but not limited to, the Company's Clawback Policy, as in effect from time to time. In addition, you acknowledge and agree to abide by the terms of the Company's Financial Restatement Clawback Policy, as in effect from time to time (the "Financial Restatement Policy"), including, without limitation, by returning any Erroneously Awarded Compensation (as defined in the Financial Restatement Policy) to the Company to the extent required by, and in a manner consistent with, the Financial Restatement Policy, regardless of whether you received such Erroneously Awarded Compensation under the Amended Plan, the Company's Annual Incentive Plan or any other plan of the Company or any of its affiliates pursuant to which you received Erroneously Awarded Compensation.

b. All determinations regarding enforcement, waiver or modification of the cancellation, rescission, clawback, and other provisions of the Amended Plan and this Equity Award Agreement (including the provisions relating to Termination of Employment, death and disability) shall be made in the Company's sole discretion. Determinations made under this Equity Award Agreement and the Amended Plan need not be uniform and may be made selectively among individuals, whether or not such individuals are similarly situated.

c. You agree that the cancellation, rescission and clawback provisions of the Amended Plan and this Equity Award Agreement are reasonable and agree not to challenge the reasonableness of such provisions, even where forfeiture of your Award is the penalty for violation. Engaging in Detrimental Activity (as defined in the Amended Plan) during employment or after your employment relationship has ended may result in cancellation, rescission or clawback of your Award.

d. The cancellation, rescission and clawback provisions of the Amended Plan may be triggered by your acceptance of an offer to Engage in or Associate with any business which is or becomes competitive with the Company, or your engagement in competitive activities for [one year][two years] after your employment relationship with the Company has ended if: (i) on or prior to the date of grant stated in this Equity Award Agreement you have entered into a Noncompetition Agreement with the Company or an affiliate (including, for this purpose, with International Business Machines Corporation (IBM) or an IBM affiliate prior to the Spin-Off), as applicable; or (ii) the Award is a Retention Restricted Stock Unit Award. Notwithstanding the above, the cancellation, rescission and clawback provisions of the Amended Plan will apply to all Awards if during your employment with the Company you engage in any Detrimental Activity, including competitive activities, described in Section 13(a) of the Amended Plan. However, the clawback period in this Section 4 shall not apply to Section 13(a)(i) of the Amended Plan. For purposes of Section 13(a)(i) of the Amended Plan, the Company may cancel, modify, rescind, suspend, withhold or otherwise limit or restrict this Award [for a period of twelve (12) months][during your employment or during the twenty-four (24) month period following your Termination of Employment].

e. For the avoidance of doubt: (a) all other cancellation, rescission and clawback provisions of the Amended Plan will apply to all Awards if after your employment relationship has ended with the Company but during the clawback period you engage in any Detrimental Activity described in Section 13(a) (excluding Section 13(a)(i)) of the Amended Plan; and (b) the cancellation, rescission and clawback provisions of the Amended Plan will apply to all Awards if during your employment with the Company you engage in any Detrimental Activity, including competitive activities, described in Section 13(a) of the Amended Plan.

5. GOVERNING LAW, EXPENSES AND ADMINISTRATION

This Equity Award Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to its conflict of law rules. You agree that any action or proceeding with respect to this Equity Award Agreement shall be brought exclusively in the state and federal courts sitting in New York County or Westchester County, New York. You agree to the personal jurisdiction thereof, and irrevocably waive any objection to the venue of such action, including any objection that the action has been brought in an inconvenient forum.

If any court of competent jurisdiction finds any provision of this Equity Award Agreement, or portion thereof, to be unenforceable, that provision shall be enforced to the maximum extent permissible so as to effect the intent of the parties, and the remainder of this Equity Award Agreement shall continue in full force and effect.

If you or the Company brings an action to enforce this Equity Award Agreement and the Company prevails, you will pay all costs and expenses incurred by the Company in connection with that action and in connection with collection, including reasonable attorneys' fees.

If the vendor engaged to administer the Amended Plan changes, you consent to moving all of the shares or RSUs you have received under the Amended Plan that is in an account with such vendor (including unvested and previously vested shares or RSUs), to the new vendor engaged to administer the Amended Plan. Such consent will remain in effect unless and until revoked in writing by you.

6. DATA PRIVACY, ELECTRONIC DELIVERY, ELECTRONIC SIGNATURE

By accepting this Award, you agree that data, including your personal data, necessary to administer this Award may be exchanged among the Company as necessary, and with any vendor engaged by the Company to administer this Award, subject to and for the purposes of implementing this Equity Award Agreement; you also consent to receiving information and materials in connection with this Award or any subsequent awards under Kyndryl's long-term performance plans, including without limitation any prospectuses and plan documents, by any means of electronic delivery available now and/or in the future (including without limitation by e-mail, by vendor Website access and/or by facsimile), such consent to remain in effect unless and until revoked in writing by you.

a. By participating in the Amended Plan or accepting any rights granted under it, you consent to and authorize the collection, processing and transfer by the Company of personal data relating to you by the Company for the purposes of fulfilling its obligations and exercising its rights under the Amended Plan, statements and communications relating to the Amended Plan and generally administering and managing the Amended Plan, including keeping records of analysis of and reporting on participation levels and other information about the Amended Plan from time to time. Any such processing shall be in accordance with the purposes and provisions of this data privacy provision. Such consent will remain in effect unless and until revoked in writing by you.

   This includes the following categories of data ("Data"):

   i. Data already held in the Company's records for you such as your name and address, employee number, payroll number (if applicable), service dates and whether you work full-time or part-time;

   ii. Data collected upon you accepting the rights granted under Plan (if applicable); and

   iii. Data subsequently collected by the Company in relation to your continued participation in the Amended Plan, for example, data about shares offered or received, purchased or sold under the

Amended Plan from time to time and other appropriate financial and other data about you and your participation in the Amended Plan (*e.g.*, the date on which shares were granted, your Termination of Employment and the reasons of Termination of Employment or retirement).

b. You expressly consent to the transfer of personal data about you as described in paragraph (a) above by the Company. Data may be transferred not only within the country in which you are based from time to time or within the EU or the European Economic Area ("EEA"), but also worldwide, to other employees and officers of the Company and to the following third parties for the purposes described in paragraph (a) above:

   i. Plan administrators, auditors, brokers, suppliers, agents and contractors of, and third party service providers, vendor Website Access and/or facsimile to, the Company;

   ii. Regulators, tax authorities, stock or security exchanges and other supervisory, regulatory, governmental or public bodies as required by law or otherwise deemed necessary by the Company;

   iii. Other third parties to whom the Company may need to communicate/transfer the data in connection with the administration of the Amended Plan, under a duty of confidentiality to the Company;

   iv. Your family members, heirs, legatees and others associated with you in connection with the Amended Plan; and

   v. Any vendor engaged by the Company to administer this Award.

The Company has internal policies to ensure an equivalent level of protection is in place across the Company's worldwide organization.

You have the right to be informed whether the Company holds personal data about you and, to the extent the Company does so, to have access to those personal data at no charge and require the Company to correct the data if it is inaccurate and to request the erasure, request the restriction of processing or object to the processing and withdraw your consent. You are entitled to all the other rights provided by application data privacy law, including those detailed in any applicable documentation or guidelines provided to you by the Company in the past. You understand, however, that refusing or withdrawing your consent may affect your ability to participate in the Amended Plan (and may result in the forfeiture of unvested Awards).

You agree that data, including your personal data, necessary to administer this Award may be exchanged among the Company as necessary (including transferring such data out of the country of origin both in and out of the EEA), and with any vendor engaged by the Company to administer this Award.

7. TERMINATION OF EMPLOYMENT INCLUDING DEATH, DISABILITY AND LEAVE OF ABSENCE

A. Termination of Employment and Continued Vesting

In the event you cease to be an employee (other than on account of death or disability as described in Section 12 of the Amended Plan or as otherwise described below in this Section 7) prior to the Vesting date(s) set forth in this Equity Award Agreement, all then unvested RSUs, and any share or cash rights, under your Award shall be canceled and forfeited, with no further amount payable thereunder.

However, under the Executive Severance Plan and Executive Retirement Policy, if your employment terminates (other than for Cause) after you have attained age fifty-five (55) and completed at least ten (10) years of service with the Company (including, for this purpose, service with IBM for individuals whose employment was transferred from IBM to the Company in connection with the Spin-Off) you may be eligible for continued RSU vesting (excludes

RRSU) upon your retirement from the Company. **Note**: You must have completed one (1) year of active service with the Company measured from the RSU date of grant for such RSUs to be eligible for continued vesting under this Section 7(A). You must also meet the following requirements:

- [You terminate employment with the Company after reaching age fifty-five (55) and completing ten 10) years of service with the Company (including, for this purpose, service with IBM for individuals whose employment was transferred from IBM to the Company in connection with the Spin-Off);]

- You provide at least six (6) months' written notice of your retirement to the HRVP for your business unit (which period may be waived or shortened if acknowledged in writing by the plan administrator for the Executive Severance Plan);

- You do not voluntarily terminate employment prior to the agreed upon retirement date;

- Your employment is not terminated for Cause; and

- You sign and do not revoke a retirement agreement and general release that will include, among other things, a release of any and all claims that you may have against the Company, and any of its employees, directors, or agents; confidentiality and trade secret commitments; a non-solicitation of Company employees for two (2) years, and, except to the extent waived by the Company for retirees outside the United States or where such waiver is required by local law for retirees in the United States s (in writing by the plan administrator for the Executive Severance Plan and Executive Retirement Policy), a two-year non-competition commitment and a two-year non-solicitation of Company clients.

[The one-year active service requirement, however, will be waived under the following circumstances:

- You remain employed with the Company through June 2, 2028 (or such earlier date as approved by the Board); or
- You are involuntarily separated from the Company, provided such separation is not for Cause.]

Please be advised that if you are subject to US tax withholding and opt for continued vesting of your RSUs post-retirement, you will need to remit payment to Kyndryl for the full amount of the applicable Social Security, Disability, and Medicare (FICA) taxes paid by Kyndryl on your behalf to the US Internal Revenue Service for all future RSU vests. A FICA repayment letter will be sent to you shortly after your retirement.

B. Death or Disability

In the event of your death all RSUs covered under this Equity Award Agreement shall vest immediately and your Vesting date shall be your date of death. If you are disabled as described in Section 12 of the Amended Plan, your unvested RSUs shall continue to vest according to the terms of your Award.

C. Leave of Absence

In the event of a management approved leave of absence, any unvested RSUs shall continue to vest as if you were an active employee of the Company, subject to the terms of this Equity Award Agreement.

D. Dividend Equivalents

Prior to the distribution of shares with respect to RSUs pursuant to this Equity Award Agreement, you shall not have ownership or rights of ownership of any shares underlying the RSUs; provided, however, you shall accrue cash dividend equivalents with respect to the RSUs subject to this Award, whether vested or unvested, if cash dividends on the Common Stock are paid to stockholders of the Company on or after the RSU grant date and prior to the date on which the RSUs are settled. Specifically, when cash dividends are paid with respect to a share of outstanding Common Stock, an amount of cash per RSU equal to the cash dividend paid with respect to a share of outstanding

Common Stock will be accrued with respect to each RSU. Dividend equivalents will be subject to the same vesting conditions and payment terms set forth herein as the shares to which they relate, but will be paid in cash to the extent the underlying RSUs vest. The dividend equivalents shall be treated as earnings on, and as a separate amount from, the RSUs for purposes of Section 409A of the Code.

E. Prior IBM Service

If you were transferred to the Company in connection with the Spin-Off you will have your prior service with IBM (as reflected in the Company's records as of the Spin-Off) counted as if it were service with the Company for purposes of determining years of service under your Award.

8. COUNTRY/JURISDICTION SPECIFIC TERMS AND CONDITIONS

A. Argentina

English Language Consent

You confirm that you have read and understood the terms and conditions of the Amended Plan and this Equity Award Agreement, which were provided in English. You accept and consent to the terms of the documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, being drawn up in English.

B. Canada

Form of Settlement

Notwithstanding any discretion contained in the Amended Plan or this Equity Award Agreement, the RSUs will be settled only in shares. The RSUs do not provide any right for you to receive a cash payment in settlement of the RSUs.

Nature of Grant

Notwithstanding any provision of this Equity Award Agreement to the contrary, in the event your employment is terminated (whether or not later found to be invalid or unlawful for any reason, including for breaching either applicable employment laws or your employment agreement, if any) your right to vest in the RSUs under the Amended Plan, if any, will terminate effective on the earliest of: (a) the date that your employment with the Company is terminated; and (b) the date that you receive notice of termination of your employment with the Company, regardless of any notice period, period of pay in lieu of such notice or related payments or damages provided or required to be provided under applicable employment law in the jurisdiction where you are employed or the terms of your employment agreement, if any. You will not earn or be entitled to any pro-rated vesting for that portion of time before the date on which your right to vest terminates, nor will you be entitled to any compensation for lost vesting. Notwithstanding the foregoing, if applicable employment standards legislation explicitly requires continued entitlement to vesting during a statutory notice period, your right to vest in the RSUs under the Amended Plan, if any, will terminate effective as of the last day of your minimum statutory notice period, but you will not earn or be entitled to any compensation for lost vesting. This does not affect your eligibility for continued vesting under Section 7.

The following terms and conditions apply if you reside in Quebec:

The parties acknowledge that it is their express wish that this Equity Award Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English.

C. Denmark

Non-Solicitation

The following non-solicitation clause will replace the above non-solicitation provision for individuals with the home country of Denmark:

In consideration of your Award, you agree that during your employment with the Company, you will not directly or indirectly, solicit, for competitive business purposes, any customer of the Company. By accepting your Award, you acknowledge that the Company would suffer irreparable harm if you fail to comply with the foregoing, and that the Company would be entitled to any appropriate relief, including money damages, equitable relief and attorneys' fees.

D. France

English Language Consent

In addition to the English language provisions below, by accepting the grant of RSUs, you confirm having read and understood the Amended Plan and this Equity Award Agreement which were provided in English. You accept the terms and conditions of those documents accordingly.

E. Hong Kong

Settlement of Vested RSUs

The following provision supplements Section 9 (Payment of RSU Awards) of this Equity Award Agreement:

Notwithstanding any discretion set forth in the Amended Plan or this Equity Award Agreement, the RSUs will be settled only in shares. The RSUs do not provide any right for you to receive a cash payment in settlement of the RSUs.

Any shares received by you upon settlement of the RSUs are accepted by you as a personal investment. If, for any reason, the RSUs vest and become non-forfeitable and shares are issued or transferred to you within six (6) months after the RSU grant, you agree that you will not offer the shares to the public in Hong Kong or otherwise dispose of any such shares prior to the six (6) month anniversary of the RSU date of grant.

F. Mexico

Labor Law Acknowledgement and Policy Statement

By accepting the Awards, you acknowledge that the Company, is solely responsible for the administration of the Amended Plan. You further acknowledge that your participation in the Amended Plan, the grant of RSUs and any acquisition of shares under the Amended Plan does not constitute an employment relationship between you and the Company because you are participating in the Amended Plan on a wholly commercial basis. Based on the foregoing, you expressly acknowledge that the Amended Plan and the benefits that you may derive from participation in the Amended Plan do not establish any rights between you and the Company, and do not form part of the employment conditions and or benefits provided by the Company, and any modification of the Amended Plan or its termination shall not constitute a change or impairment of the terms and conditions of your employment.

You further understand that your participation in the Amended Plan is as a result of a unilateral and discretionary decision of the Company; therefore, the Company reserves the absolute right to amend and/or discontinue your participation at any time without any liability to you.

Finally, you hereby declare that you do not reserve any action or right to bring any claim against the Company for any compensation or damages regarding any provision of the Amended Plan or the benefits derived under the

Amended Plan, and you therefore grant a full and broad release to the Company, branches, representative offices, shareholders, directors, officers, employees, agents, or legal representatives with respect to any claim that may arise.

Securities

You acknowledge that the Awards, this Equity Award Agreement, the Amended Plan and all other materials that you may receive regarding participation in the Amended Plan do not constitute advertising or an offering of securities in Mexico. The shares acquired pursuant to the Amended Plan have not and will not be registered in Mexico and therefore, neither the RSUs nor the shares may be offered or publicly circulated in Mexico.

G. Portugal

English Language Consent

You hereby expressly declare that you have full knowledge of the English language and have read, understood and fully accepted and agreed with the terms and conditions established in the Amended Plan and this Equity Award Agreement.

H. Spain

Labor Law Acknowledgment

This provision supplements the acknowledgements contained in Section 2 (Nature of Grant) of this Equity Award Agreement:

In accepting the grant of RSUs, you consent to participation in the Amended Plan and acknowledge that you have received a copy of the Amended Plan.

You understand that the Company has unilaterally, gratuitously and in its own discretion decided to grant under the Amended Plan to certain individuals who may be employees of the Company. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not bind the Company, other than as set forth in this Equity Award Agreement. Consequently, you understand that the Awards are granted on the assumption and condition that any shares acquired upon settlement of the Awards are not a part of any employment contract (with the Company) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation), or any other right whatsoever. Further, you understand that the Awards would not be granted to you but for the assumptions and conditions referred to above; thus, you acknowledge and freely accept that should any or all of the assumptions be mistaken, or should any of the conditions not be met for any reason, any grant of or right to the Awards shall be null and void.

I. United Kingdom

Responsibility for Tax-Related Items

Without limitation to Section 12 of this Equity Award Agreement, you hereby agree that you are liable for all Tax-Related Items and hereby covenants to pay all such Tax-Related Items, as and when requested by the Company or by Fidelity (or any other tax authority or any other relevant authority). You also hereby agree to indemnify and keep indemnified the Company against any Tax-Related Items that they are required to pay or withhold or have paid or will pay on your behalf to Fidelity (or any other tax authority or any other relevant authority).

Notwithstanding the foregoing, if you are a director or executive officer of the Company (within the meaning of Section 13(k) of the Securities Exchange Act of 1934), the terms of the immediately foregoing provision will not apply.

J. United States

Trade Secrets

Nothing in the Amended Plan, prospectus, or this Equity Award Agreement affects your rights, immunities, or obligations under any federal, state, or local law, including under the Defend Trade Secrets Act of 2016 (DTSA), as described in Company policies, or prohibits you from reporting possible violations of law or regulation to a government agency, as protected by law. In accordance with the DTSA, you shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret if the disclosure (i) is made (1) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and (2) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. If you file a lawsuit for retaliation by the Company for reporting a suspected violation of law, you may disclose trade secrets to your attorney and use the trade secret information in such court proceeding, provided that you (i) file any document containing the trade secret under seal, and (ii) do not disclose the trade secret, except pursuant to court order.

You acknowledge that you have been advised by the Company to consult with counsel of your choosing concerning the contents of this Equity Award Agreement.

Cancellation, Rescission, and Clawback

For the avoidance of doubt, unless otherwise required or prohibited by law, the cancellation, rescission, clawback, and recoupment provisions of the Amended Plan will apply if you engage in (1) any Detrimental Activity as described in Section 13(a) of the Amended Plan prior to your employment relationship ending with the Company or (2) any Detrimental Activity described in Section 13(a) of the Amended Plan (other than engaging in competitive activities after your employment relationship has ended with the Company, as described in Section 13(a)(i) of the Amended Plan).

The cancellation, rescission and clawback provisions of the Amended Plan that apply if you engage in Detrimental Activity, as described in Section 13(a)(i) of the Amended Plan during your employment with the Company, constitute “non-competition restrictions” which may affect your ability to obtain future employment. The cancellation, rescission and clawback provisions of the Amended Plan that apply if you engage in Detrimental Activity, as described in Section 13(a)(vi) of the Amended Plan during or after your employment with the Company, as well as the restrictions in Section 3 of this Equity Award Agreement, constitute “non-solicitation restrictions.” By accepting this Award, you acknowledge that this Equity Award Agreement specifies valuable, mutually agreed, independent consideration (in the form of stock grants and/or long-term cash Awards) for the non-competition and non-solicitation restrictions contained in this Equity Award Agreement, and that the non-solicitation restrictions referenced in this Equity Award Agreement are supported by valuable, mutually-agreed, independent consideration to which you are not otherwise entitled.

If you reside in or work from an office in Colorado, District of Columbia, or Illinois, you may consider this Equity Award Agreement for up to fourteen (14) days prior to signing it. If you reside in or work from an office in Massachusetts, this Equity Award Agreement will take effect no sooner than ten (10) business days after if it is signed by both you and the Company.

Nothing in this Section is intended to supersede or modify the New York choice-of-law provision in Section 5 of this Equity Award Agreement, except with respect to the enforceability of the noncompetition and non-solicitation restrictions, and then only to the extent you work in a state with a statute that provides solely for the law of that particular state to apply, and have worked in that state in the thirty (30) days prior to your execution of this Equity Award Agreement.

9. PAYMENT OF RSU AWARDS

Subject to Sections 12 and 13 of the Amended Plan and Section 7 of this Equity Award Agreement, upon the “Vesting” date(s) indicated above, the Company shall (1) deliver to you a number of shares of Common Stock equal to the number of your vested RSUs, or (2) make a cash payment to you equal to the Fair Market Value on the

Vesting date of the number of your vested RSUs, except where cash payment is prohibited under local law. The aforementioned payment in shares is not applicable in countries in which the Company has determined that the Awards will be deemed to be paid in cash. In such deemed cash-settled countries, the Company shall make a cash payment equal to the Fair Market Value on the Vesting date of the number of your vested RSUs. In either case, the net of any applicable tax withholding, and the respective RSUs shall thereafter be cancelled. Such payment in shares or cash payment shall be made as soon as practicable following the time vesting of any portion of the Award, but in all events no later than 2 ½ months following the year in which your Award vests, and will equal the vested portion of the Award, subject to the terms and conditions of the Amended Plan and this Equity Award Agreement.

10. TRANSFERABILITY

You may not transfer or assign, pledge, pay to, exercise or otherwise encumber any RSUs under this Equity Award Agreement prior to the settlement of the Award by anyone other than you, except by law, will or the laws of descent and distribution. Notwithstanding the foregoing, in no event shall RSUs be transferable or assignable other than by will or by the laws of descent and distribution.

Any shares issued or transferred shall be subject to your compliance with policies as the Committee or the Company may deem advisable from time to time, including without limitation, any policies relating to certain minimum stock ownership requirements, including, but not limited to, the Company's Stock Ownership Guidelines, if applicable. Such policies shall be binding upon the permitted respective legatees, legal representatives, successors and your assignees. The Company shall give notice of any such additional or modified terms and restrictions applicable to shares delivered or deliverable under this Equity Award Agreement to the holder of the RSUs and/or the shares so delivered, as appropriate, pursuant to the provisions of Section 11 or, if a valid address does not appear to exist in the Company's records, to the last address known by the Company of such holder. Notice of any such changes may be provided electronically, including, without limitation, by publication of such changes to a central website to which any holder of the RSUs or shares issued therefrom has access.

11. NOTICES

Any notice to be given under this Equity Award Agreement shall be addressed to the Company in care of its Chief Human Resources Officer at:

Kyndryl Holdings, Inc.
1 Vanderbilt Avenue, 15th Floor
New York, NY 10017
USA
Attn: Chief Human Resources Officer

(or, if different, the then-current principal business address of the duly appointed Chief Human Resources Officer of the Company) and to you at the address appearing in the Company's records for you or to either party at such other address as either party may hereto may hereafter designate in writing to the other. Any such notice shall be deemed effective upon receipt thereof by the addressee.

12. TAX WITHHOLDING

a. Regardless of any action the Company takes with respect to any and all income tax (including U.S. federal, state and local taxes or non-U.S. taxes), social insurance, payroll tax, fringe benefit, payment on account or other tax-related withholding that in the opinion of the Company is required by law ("Tax-Related Items"), you acknowledge that the ultimate liability for all Tax-Related Items legally due by you is and remains your responsibility and that the Company (i) makes no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the RSUs, including the grant of the RSUs, the vesting of the RSUs, the delivery or sale of any shares or cash acquired pursuant to the RSUs and the issuance of any dividends, if applicable, and (ii) will make every attempt to but, does not commit to structure the terms of the grant of any aspect of the RSUs to reduce or eliminate your liability for Tax-Related Items.

b. To the extent that the grant or vesting of the RSUs, the delivery of shares or cash pursuant to the RSUs or the issuance of dividend equivalents, if applicable, results in a withholding obligation for Tax-Related Items, unless otherwise specifically approved and directed by the Committee, you authorize the Company or agent of the Company to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following:

   (i) withholding from your wages or other cash compensation paid to you by the Company;

   (ii) withholding from proceeds of the sale of shares acquired upon settlement of the RSUs either through a voluntary sale or through a mandatory sale arranged by the Company (on your behalf pursuant to this authorization without further consent); or

   (iii) withholding from the shares to be delivered upon settlement of the RSUs that number of shares having a Fair Market Value equal to the amount required by law to be withheld. If you are subject to taxation in more than one jurisdiction, you acknowledge that the Company may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

c. You agree to pay to the Company any amount of Tax-Related Items that the Company may be required to withhold or account for as a result of your participation in the Amended Plan that cannot be satisfied by the means previously described. The Company may delay issuance or the delivery of the shares, cash or the proceeds of the sale of shares until such time arrangements have been made to ensure the remittance of all taxes due from you in connection with Tax-Related Items if you fail to comply with such Tax-Related Items.

d. You hereby acknowledge that you will not be entitled to any interest or appreciation on shares sold to satisfy the tax withholding requirements (including with respect to any amounts withheld in excess of your tax liability).

e. Regardless of any taxes that are withheld, you are solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on or in respect of your RSUs, including any taxes and penalties under Section 409A of the Code, and the Company has no obligation to indemnify or otherwise hold you harmless from any or all of such taxes or penalties.

13. RSUs SUBJECT TO THE PLAN

By entering into this Equity Award Agreement, you agree and acknowledge that you have received and read a copy of the Amended Plan. All Awards are subject to the Amended Plan. In the event of a conflict between any term or condition contained herein and a term or provision of the Amended Plan, the applicable terms and conditions of the Amended Plan will govern and prevail.

14. AMENDMENTS

The rights and obligations under this Equity Award Agreement and their enforceability are subject to local tax and foreign exchange laws and regulations and, in this sense, the terms and conditions herein may be amended by the sole discretion of the Board in order to comply with any such laws and regulations. The Board may also make amendments without consent to the extent the amendment does not impair a Participant's rights under the Amended Plan.

15. SIGNATURE IN COUNTERPARTS

To the extent that this Equity Award Agreement is manually signed, instead of electronically accepted by you (if permitted by the Company), it may be signed in counterparts, each of which shall be deemed an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

16. ADMINISTRATION AND CONSENT

In order to manage compliance with the terms of this Equity Award Agreement, shares delivered pursuant to this Equity Award Agreement may, at the sole discretion of the Company, be registered in the name of the nominee for the holder of the shares and/or held in the custody of a custodian until otherwise determined by the Company. The form of the custody agreement and the identity of the custodian and/or nominee shall be as determined from time to time by the Company in its sole discretion. A holder of shares delivered pursuant to this Equity Award Agreement acknowledges and agrees that the Company may refuse to register the transfer of and enter stop transfer orders against the transfer of such shares except for transfers deemed by it in its sole discretion to be in compliance with the terms of this Equity Award Agreement. The Company reserves the right to impose other requirements to the extent the Company determines, in its sole discretion, that such other requirements are necessary or advisable in order to comply with local laws, rules and/or regulations or to facilitate the operation and administration of the RSUs and the Amended Plan. This includes the RSUs, any shares you acquire pursuant to the RSUs and your participation in the Amended Plan. Such requirements may include (but are not limited to) requiring you to sign any agreements, undertakings or additional documents that may be necessary to accomplish the foregoing. You agree to take such other actions as may be deemed reasonably necessary or desirable by the Company to effectuate the provisions of this Equity Award Agreement, as in effect from time to time. As a holder of shares delivered pursuant to this Equity Award Agreement or any prior agreement between you and the Company, you acknowledge and agree that the Company may impose a legend on any document relating to shares issued or issuable pursuant to this Equity Award Agreement conspicuously referencing the restrictions applicable to such shares, and may instruct the administrator of any brokerage account into which shares have been initially deposited to freeze or otherwise prevent the disposition of such shares.

17. ENGLISH LANGUAGE

If you are a resident in a country where English is not an official language, you acknowledge and agree that it is your express intent that this Equity Award Agreement, the Amended Plan and all other documents, notices and legal proceedings entered into, given or instituted pursuant to the grant of RSUs, be drawn up in English. You acknowledge, that if you have received this Equity Award Agreement, the Amended Plan or any other document related to the RSUs translated into a language other than English, and if the meaning of the translated version is different than the English version, the English version will control.

18. SECTION 409A – DISABILITY; DEFERRAL ELECTIONS

If you reside in the United States and are subject to income taxation on the income resulting from this Equity Award Agreement under the laws of the United States, and the foregoing provisions of this Equity Award Agreement would result in adverse tax consequences to you, as determined by the Company, under Section 409A of the Code, then the following provisions shall apply and supersede the foregoing provisions:

a. “Disability” shall mean a disability within the meaning of Section 409A(a)(2)(C) of the Code.

b. Deferral elections made by United States taxpayers are subject to Section 409A of the Code. The Company will use commercially reasonable efforts to not permit RSUs to be deferred, accelerated, released, extended, paid out or modified in a manner that would result in the imposition of an additional tax under Section 409A of the Code. In the event that it is reasonably determined by the Company that, as a result of Section 409A of the Code, payments or delivery of the shares underlying the RSUs granted pursuant to this Equity Award Agreement may not be made at the time contemplated by the terms of the Award, as the case may be, without causing you to be subject to taxation under Section 409A of the Code, the Company will make such payment or share delivery as soon as practicable on or following the first date that would not result in you incurring any tax liability under Section 409A of the Code, and in any event, no later than the last day of the calendar year in which such first date occurs or two and half months following the first date in which the first date occurs.

c. If you are a “specified employee” (within the meaning of Section 409A(a)(2)(B)(i) of the Code), payments and deliveries of shares or cash in respect of any RSUs subject to Section 409A of the Code that are payable upon your separation from service shall not be made prior to the date which is six (6)

months after the date of your separation from service from the Company, determined in accordance with Section 409A of the Code and the regulations promulgated thereunder, or if earlier, your death.

d. The Company shall use commercially reasonable efforts to avoid subjecting you to any additional taxation under Section 409A of the Code as described herein; provided that neither the Company nor any of its employees, agents, directors or representatives shall have any liability to you with respect to Section 409A of the Code.

19. REPATRIATION; COMPLIANCE WITH LAW

If you are resident or employed outside the United States, you agree to repatriate all payments attributable to the shares and/or cash acquired under the Amended Plan in accordance with applicable foreign exchange rules and regulations in your country of residence (and country of employment, if different). In addition, you agree to take any and all actions, and consents to any and all actions taken by the Company, as may be required to allow the Company to comply with local laws, rules and/or regulations in your country of residence (and country of employment, if different). Further, you agree to take any and all actions as may be required to comply with your personal obligations under local laws, rules and/or regulations in your country of residence (and country of employment, if different).

20. INSIDER TRADING / MARKET ABUSE LAWS

By participating in the Amended Plan, you agree to comply with the Company's Insider Trading Policy (Securities Trading Policy). You further acknowledge that you may be subject to local insider trading and/or market abuse laws and regulations that are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. You acknowledge that it is your personal responsibility to comply with any applicable restrictions, and that you should consult your personal advisor on this matter.

21. WAIVER

No waiver of any breach or condition of this Equity Award Agreement shall be deemed to be a waiver of any other or subsequent breach or condition, whether of like or different nature.

22. ENTIRE AGREEMENT

This Equity Award Agreement, including the Amended Plan, contain the entire agreement between the parties with respect to the subject matter therein and supersedes all prior oral and written agreement between the parties pertaining to such matters. You acknowledge and agree that this Equity Award Agreement, including the Amended Plan, and all prior RSUs or other equity grant agreements [or Restrictive Covenants] between the Company, on the one hand, and you, on the other, are separate from, and shall not be modified or superseded in any way by any other agreements, including employment agreements, entered into between you and the Company.

IN WITNESS WHEREOF, the parties hereto have executed this Equity Award Agreement effective as of the Date of Grant set forth in this Equity Award Agreement.

KYNDRYL HOLDINGS, INC.

By:

Maryjo Charbonnier
Chief Human Resources Officer

[IF NOT ELECTRONICALLY ACCEPTED]

PARTICIPANT

_____
Signature

_____
Print Name

_____
Date

_____
Employee ID

Exhibit 10.27

Kyndryl

Retention [Growth Accelerator] Restricted Stock Units Equity Award Agreement
Confidential

Plan	**Amended and Restated Kyndryl 2021 Long-Term Performance Plan (the "Plan")**
Award Type	**Retention Restricted Stock Units (RRSUs)**
Purpose	The purpose of this Award is to reward and retain the services of the recipient. You recognize that this Award represents a potentially significant benefit to you and is awarded for the purpose stated here. Capitalized terms not specifically defined in this Equity Award Agreement have the meanings given to them in the Amended Plan.
Awarded to **Home Country** **Employee ID**	**[Participant Name]**
Award Agreement	This Equity Award Agreement, together with the Amended Plan which is incorporated herein by reference, constitute the entire agreement between you and Kyndryl Holdings, Inc. with respect to your Award pursuant to Section 22 of this Equity Award Agreement. You acknowledge and agree the Amended Plan is available on Fidelity.
Grant	Date of Grant: **[Grant Date]** Grant Price: **[Grant Date FMV]** Number of Units Awarded: **[Number Awards Granted]**
Vesting	This Award vests as set forth below, subject to your continued employment with Kyndryl as described in this Equity Award Agreement. **Date** **Units**
Payout of Award	Subject to Sections 12 and 13 of the Amended Plan and Section 7 of this Equity Award Agreement, upon the "Vesting" date(s) indicated above, the Company shall (1) deliver to you a number of shares of Common Stock equal to the number of your vested RRSUs, or (2) make a cash payment to you equal to the Fair Market Value on the Vesting date of the number of your vested RRSUs, except where cash payments are prohibited under local law. The aforementioned payment in shares is not applicable in countries in which the Company has determined that the Awards will be deemed to be paid in cash. In such deemed cash-settled countries, the Company shall make a cash payment equal to the Fair Market Value on the Vesting date of the number of your vested RRSUs. In either case, the net of any applicable tax withholding, and the respective RRSUs shall thereafter be cancelled. Such payment in shares or cash shall be made as soon as practicable following the time vesting of any portion of the Award, but in all events no later than 2 ½ months following the year in which your Award vests; such payment in shares or cash will equal the vested portion of the Award, subject to the terms of the Amended Plan and this Equity Award Agreement.

Accept Your Award	This Award is considered valid when you accept it. By accepting this Award, you agree to be bound by, and agree that the Award is subject in all respects to, the terms of the Amended Plan. This Award may be cancelled unless you accept within ninety (90) days of receipt. By accepting this Award at Fidelity, you acknowledge having received and read this Equity Award Agreement and the Amended Plan under which this Award was granted and you agree (i) not to hedge the economic risk of this Award or any previously-granted outstanding awards, which includes entering into any derivative transaction on Kyndryl securities (e.g., any short sale, put, swap, forward, option, collar, etc.), and (ii) to comply with the terms of the Amended Plan and this Equity Award Agreement, including, as applicable, those provisions relating to cancellation, rescission and clawback of awards and jurisdiction and governing law.

Kyndryl

Retention Restricted Stock Units Equity Award Agreement

Terms and Conditions of Your Award

Pursuant to the Amended Plan, the Company has granted you the Award described in this Equity Award Agreement. This Equity Award Agreement provides you with the terms and conditions of your Award. Your Award is subject to the terms and conditions in the governing Amended Plan document.

As an Award recipient, you can see a personalized summary of all your outstanding equity awards at Kyndryl's Fidelity NetBenefits website. This site contains other information about long-term incentive awards, including copies of the prospectus, and the governing Amended Plan document. If you have additional questions and you are based in the U.S., you can contact Fidelity at 800-544-9354, from 5:00 p.m. Sunday through 12:00 a.m. Friday Eastern time. Outside of the U.S. you can use the Fidelity Guide to choose the local Fidelity number for your country.

1. DEFINITION OF TERMS

Defined Terms. Capitalized terms not specifically defined herein shall have the meanings given to them in the Amended Plan. For purposes of this Equity Award Agreement:

a. "Award" means the grant of any form of stock option, stock or cash award, whether granted singly, in combination or in tandem, to a Participant pursuant to such terms, conditions, performance requirements, limitations and restrictions as the Committee may establish in order to fulfill the objectives of the Amended Plan.

b. "Board" means the Board of Directors of Kyndryl.

c. "Common Stock" means authorized and issued or unissued Common Stock of Kyndryl, at such par value as may be established from time to time.

d. "Committee" means the committee designated by the Board to administer the Amended Plan.

e. "Company" means Kyndryl and its affiliates and subsidiaries including subsidiaries of subsidiaries and partnerships and other business ventures in which Kyndryl has an equity interest.

f. "Code" means the Internal Revenue Code of 1986, as amended from time to time.

g. "Engage in or Associate with" means and includes, without limitation, engagement or association as a sole proprietor, owner, employer, director, partner, principal, joint venture, associate, employee, member, consultant, or contractor. This also includes engagement or association as a shareholder or investor during the course of your employment with the Company, and includes beneficial ownership of five percent (5%) or more of any class of outstanding stock of a competitor of the Company following the termination of your employment with the Company.

h. "Equity Award Agreement" means this Equity Award Agreement which provides the Participant's grant details.

i. "Fair Market Value" means the average of the high and low prices of Common Stock on the New York Stock Exchange for the date in question, provided that, if no sales of Common Stock were made on said exchange on that date, the average of the high and low prices of Common Stock as reported for the most recent preceding day on which sales of Common Stock were made on said exchange. Fair Market Value

will be calculated in the Participant's home currency at the exchange rate on the applicable Vesting date using a commercially reasonable measure of exchange rate.

j. "Kyndryl" means Kyndryl Holdings, Inc.

k. "Participant" means an individual to whom an Award has been made under the Amended Plan. Awards may be made to any employee of, or any other individual providing services to, the Company.

l. "Plan" or "Amended Plan" means the Amended and Restated Kyndryl 2021 Long-Term Performance Plan, effective July 27, 2023.

m. ["Restrictive Covenants" means any obligation you have to the Company under any policy or agreement relating to your non-use or nondisclosure of Company confidential information or trade secrets, non-solicitation of employees, customers, clients, vendors, or other third-parties, or your non-competition with the Company, in each case during your employment and for certain periods thereafter, including, without limitation, your obligation under any noncompetition agreement with the Company or an International Business Corporation ("IBM") affiliate prior to the Spin-Off, which you acknowledge and agree has been assigned to and is enforceable by Kyndryl.]

n. "RSUs" means Restricted Stock Units under your Award. All references in this Equity Award Agreement to RSUs include Retention RSUs ("RRSUs"), unless explicitly stated otherwise.

o. "Spin-Off" means the distribution of shares of Common Stock to the stockholders of International Business Machines Corporation in 2021 pursuant to the Separation and Distribution Agreement and the Employee Matters Agreement between the Company and International Business Machines Corporation entered into in connection with such distribution.

p. "Termination of Employment" means for the purposes of determining when you cease to be an employee for the cancellation of any Award, a Participant will be deemed to be terminated if the Participant is no longer employed by Kyndryl or a subsidiary corporation that employed the Participant when the Award was granted unless approved by a method designated by those administering the Amended Plan.

2. NATURE OF GRANT

In accepting the grant, you acknowledge, understand and agree to all of the following:

a. the Amended Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company in accordance with its terms for the purpose of meeting or addressing any changes in legal requirements or for any other purpose permitted by law;

b. you are voluntarily participating in the Amended Plan;

c. the grant of the Award is voluntary and occasional and does not create any contractual or other right to receive future grants (whether on the same of different terms), or benefits in lieu of Awards, even if an Award has been granted in the past;

d. your Award is subject to the Cancellation and Rescission provisions of Section 4 of this Equity Award Agreement.

e. all decisions with respect to future grants, if any, will be at the discretion of the Committee, including, but not limited to, the form and timing of the grant, the number of units subject to the grant, and the vesting provisions applicable to the grant;

f. the grant and your participation in the Amended Plan shall not create a right to employment or be interpreted as forming an employment or services contract with the Company and shall not interfere with the ability of the Company to terminate your employment or service relationship;

g. shares (or cash) will be issued to you only if the vesting conditions are met and any necessary services are rendered by you over the vesting period;

h. the RSUs and the shares (or cash) subject to the RSUs are not intended to replace any pension rights or compensation, if applicable;

i. the RSUs and the shares subject to the RSUs, and the income and value thereof, are an extraordinary item of compensation outside the scope of your employment or services (and employment or services contract, if any) and is not part of normal or expected compensation for any purpose, including, without limitation, calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments;

j. the future value of the shares underlying the RSUs is unknown, indeterminable and cannot be predicted with certainty;

k. no claim or entitlement to compensation or damages shall arise from forfeiture of RSUs resulting from your ceasing to be employed or otherwise providing services to the Company;

l. unless otherwise provided herein, in the Amended Plan or by the Company in its discretion, the RSUs and the benefits evidenced by this Equity Award Agreement do not create any entitlement to have the RSUs or any similar benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the shares of Kyndryl; and

m. if you reside or are employed outside of the United States, you acknowledge and agree that the Company shall not be liable for any exchange rate fluctuation between your local currency and the United States Dollar that may affect the value of the RSUs or of any amounts due to you pursuant to the settlement of the RSUs or the subsequent sale of any shares acquired upon settlement.

3. NON-SOLICITATION

a. In consideration of your Award, you agree that during your employment with the Company and for [one year][two years] following the termination of your employment for any reason, you will not directly or indirectly, or in any capacity on your behalf or on behalf of any other individual, firm, association, partnership, corporation, or other business entity, (i) hire, solicit, or make an offer to; or (ii) attempt to or participate or assist in any effort to hire, solicit, or make an offer to any Restricted Employee to be employed or to perform services outside of the Company. For the purposes of this Paragraph, a “Restricted Employee” is any person (i) who is an employee of the Company at the time of any conduct by you referenced in the preceding sentence, or (ii) who was an employee of the Company at any time in the twelve (12) month period immediately preceding any conduct by you referenced in the preceding sentence.

b. You also agree that during your employment with the Company and for [one year][two years] following the termination of your employment for any reason, you will not directly or indirectly, or in any capacity on your behalf or on behalf of any other individual, firm, association, partnership, corporation, or other business entity (i) solicit, for business purposes, any Restricted Customer of the Company; (ii) induce or attempt to induce any Restricted Customer to reduce, eliminate, or terminate its business with the Company; or (iii) divert or attempt to divert any business from a Restricted Customer to any entity that engages in, or owns or controls an interest in any entity that engages in, competition with any business unit or division of the Company in which you worked at any time during the three (3) year period prior to the termination of your employment with the Company. For the purposes of this Paragraph, “Restricted Customer” means any actual or prospective customer of the Company which you were directly or indirectly involved with, or exposed to confidential information about, as part of your job responsibilities during the last twelve (12) months of your employment with the Company. The term “Restricted Customer” shall not

include any customer with whom you had a pre-existing relationship prior to becoming employed by the Company.

c. By accepting your Award, you acknowledge that the Company would suffer irreparable harm if you fail to comply with the foregoing, and that the Company would be entitled to any appropriate relief, including money damages, equitable relief and attorneys' fees.

The above non-solicitation provisions do not apply to you if your home country is in Latin America, specifically: Argentina, Bolivia, Brazil, Chile, Columbia, Costa Rica, Ecuador, Mexico, Paraguay, Peru, Uruguay, and Venezuela, or where explicitly stated otherwise in this Equity Award Agreement.

4. CANCELLATION AND RESCISSION OF AWARDS/CLAWBACK

a. You understand that the Company may cancel, modify, rescind, suspend, withhold or otherwise limit or restrict this Award in accordance with the terms of the Amended Plan, including without limitation, any policy and/or procedures established by the Committee as required by law, including, but not limited to Section 10D of the Securities Exchange Act of 1934, as amended and any rules promulgated thereunder and any other regulatory regimes. Further, Awards granted under the Amended Plan will be subject to clawback, forfeiture, recoupment, or similar requirements (and such requirements shall be deemed incorporated by reference into all outstanding Equity Award Agreements), including on a retroactive basis, in accordance with any clawback policy that the Company maintains, adopts or is required to adopt pursuant to listing standards of any national securities exchange or association on which the Company's securities are listed or another applicable law, including, but not limited to, the Company's Clawback Policy, as in effect from time to time.

b. All determinations regarding enforcement, waiver or modification of the cancellation, rescission, clawback, and other provisions of the Amended Plan and this Equity Award Agreement (including the provisions relating to Termination of Employment, death and disability) shall be made in the Company's sole discretion. Determinations made under this Equity Award Agreement and the Amended Plan need not be uniform and may be made selectively among individuals, whether or not such individuals are similarly situated.

c. You agree that the cancellation, rescission and clawback provisions of the Amended Plan and this Equity Award Agreement are reasonable and agree not to challenge the reasonableness of such provisions, even where forfeiture of your Award is the penalty for violation. Engaging in Detrimental Activity (as defined in the Amended Plan) during employment or after your employment relationship has ended may result in cancellation, rescission or clawback of your Award.

d. The cancellation, rescission and clawback provisions of the Amended Plan may be triggered by your acceptance of an offer to Engage in or Associate with any business which is or becomes competitive with the Company, or your engagement in competitive activities for one year after your employment relationship with the Company has ended if: (i) on or prior to the date of grant stated in this Equity Award Agreement you have entered into a Noncompetition Agreement with the Company or an affiliate (including, for this purpose, with IBM or an IBM affiliate prior to the Spin-Off), as applicable; or (ii) the Award is a Retention Restricted Stock Unit Award. Notwithstanding the above, the cancellation, rescission and clawback provisions of the Amended Plan will apply to all Awards if during your employment with the Company you engage in any Detrimental Activity, including competitive activities, described in Section 13(a) of the Amended Plan. However, the clawback period in this Section 4 shall not apply to Section 13(a)(i) of the Amended Plan. For purposes of Section 13(a)(i) of the Amended Plan, the Company may cancel, modify, rescind, suspend, withhold or otherwise limit or restrict this Award for a period of twelve (12) months.

e. For the avoidance of doubt: (a) all other cancellation, rescission and clawback provisions of the Amended Plan will apply to all Awards if after your employment relationship has ended with the Company but during the clawback period you engage in any Detrimental Activity described in Section 13(a) (excluding Section 13(a)(i)) of the Amended Plan; and (b) the cancellation, rescission and clawback provisions of the Amended Plan will apply to all Awards if during your employment with the Company you engage in any

Detrimental Activity, including competitive activities, described in Section 13(a) of the Amended Plan.

5. GOVERNING LAW, EXPENSES AND ADMINISTRATION

This Equity Award Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to its conflict of law rules. You agree that any action or proceeding with respect to this Equity Award Agreement shall be brought exclusively in the state and federal courts sitting in New York County or Westchester County, New York. You agree to the personal jurisdiction thereof, and irrevocably waive any objection to the venue of such action, including any objection that the action has been brought in an inconvenient forum.

If any court of competent jurisdiction finds any provision of this Equity Award Agreement, or portion thereof, to be unenforceable, that provision shall be enforced to the maximum extent permissible so as to effect the intent of the parties, and the remainder of this Equity Award Agreement shall continue in full force and effect.

If you or the Company brings an action to enforce this Equity Award Agreement and the Company prevails, you will pay all costs and expenses incurred by the Company in connection with that action and in connection with collection, including reasonable attorneys' fees.

If the vendor engaged to administer the Amended Plan changes, you consent to moving all of the shares or RSUs you have received under the Amended Plan that is in an account with such vendor (including unvested and previously vested shares or RSUs), to the new vendor engaged to administer the Amended Plan. Such consent will remain in effect unless and until revoked in writing by you.

6. DATA PRIVACY, ELECTRONIC DELIVERY, ELECTRONIC SIGNATURE

By accepting this Award, you agree that data, including your personal data, necessary to administer this Award may be exchanged among the Company as necessary, and with any vendor engaged by the Company to administer this Award, subject to and for the purposes of implementing this Equity Award Agreement; you also consent to receiving information and materials in connection with this Award or any subsequent awards under Kyndryl's long-term performance plans, including without limitation any prospectuses and plan documents, by any means of electronic delivery available now and/or in the future (including without limitation by e-mail, by vendor Website access and/or by facsimile), such consent to remain in effect unless and until revoked in writing by you.

a. By participating in the Amended Plan or accepting any rights granted under it, you consent to and authorize the collection, processing and transfer by the Company of personal data relating to you by the Company for the purposes of fulfilling its obligations and exercising its rights under the Amended Plan, statements and communications relating to the Amended Plan and generally administering and managing the Amended Plan, including keeping records of analysis of and reporting on participation levels and other information about the Amended Plan from time to time. Any such processing shall be in accordance with the purposes and provisions of this data privacy provision. Such consent will remain in effect unless and until revoked in writing by you.

   This includes the following categories of data ("Data"):

   i. Data already held in the Company's records for you such as your name and address, employee number, payroll number (if applicable), service dates and whether you work full-time or part-time;

   ii. Data collected upon you accepting the rights granted under Plan (if applicable); and

   iii. Data subsequently collected by the Company in relation to your continued participation in the Amended Plan, for example, data about shares offered or received, purchased or sold under the Amended Plan from time to time and other appropriate financial and other data about you and your participation in the Amended Plan (*e.g.*, the date on which shares were granted, your Termination of Employment and the reasons of Termination of Employment or retirement).

b. You expressly consent to the transfer of personal data about you as described in paragraph (a) above by the Company. Data may be transferred not only within the country in which you are based from time to time or within the EU or the European Economic Area ("EEA"), but also worldwide, to other employees and officers of the Company and to the following third parties for the purposes described in paragraph (a) above:

   i. Plan administrators, auditors, brokers, suppliers, agents and contractors of, and third party service providers, vendor Website Access and/or facsimile to, the Company;

   ii. Regulators, tax authorities, stock or security exchanges and other supervisory, regulatory, governmental or public bodies as required by law or otherwise deemed necessary by the Company;

   iii. Other third parties to whom the Company may need to communicate/transfer the data in connection with the administration of the Amended Plan, under a duty of confidentiality to the Company;

   iv. Your family members, heirs, legatees and others associated with you in connection with the Amended Plan; and

   v. Any vendor engaged by the Company to administer this Award

The Company has internal policies to ensure an equivalent level of protection is in place across the Company's worldwide organization.

You have the right to be informed whether the Company holds personal data about you and, to the extent the Company does so, to have access to those personal data at no charge and require the Company to correct the data if it is inaccurate and to request the erasure, request the restriction of processing or object to the processing and withdraw your consent. You are entitled to all the other rights provided by application data privacy law, including those detailed in any applicable documentation or guidelines provided to you by the Company in the past. You understand, however, that refusing or withdrawing your consent may affect your ability to participate in the Amended Plan (and may result in the forfeiture of unvested Awards).

You agree that data, including your personal data, necessary to administer this Award may be exchanged among the Company as necessary (including transferring such data out of the country of origin both in and out of the EEA), and with any vendor engaged by the Company to administer this Award.

7. TERMINATION OF EMPLOYMENT INCLUDING DEATH, DISABILITY AND LEAVE OF ABSENCE

A. <u>Termination of Employment [and Continued Vesting]</u>

In the event you cease to be an employee (other than on account of death or disability as described in Section 12 of the Amended Plan or as otherwise described below in this Section 7) prior to the Vesting date(s) set forth in this Equity Award Agreement, all then unvested RSUs, and any share or cash rights, under your Award shall be canceled and forfeited, with no further amount payable thereunder.

[However, if you cease to be an employee due to an involuntary termination by the Company without Cause or the Board agrees to an earlier separation date, your Award will not be cancelled and forfeited and you will be eligible for continued RSU vesting in accordance with the original vesting schedule.]

B. Death or Disability

Prior to the Vesting date in the event of your death all RSUs covered under this Equity Award Agreement shall vest immediately and your Vesting date shall be your date of death. If you are disabled as described in Section 12 of the Amended Plan, your unvested RSUs shall continue to vest according to the terms of your Award.

C. Leave of Absence

In the event of a management approved leave of absence, any unvested RSUs shall continue to vest as if you were an active employee of the Company, subject to the terms of this Equity Award Agreement. If you return to active status, your unvested RSUs will continue to vest according to the terms of your Award.

D. Dividend Equivalents

Prior to the distribution of shares with respect to RSUs pursuant to this Equity Award Agreement, you shall not have ownership or rights of ownership of any shares underlying the RSUs; provided, however, you shall accrue cash dividend equivalents with respect to the RSUs subject to this Award, whether vested or unvested, if cash dividends on the Common Stock are paid to stockholders of the Company on or after the RSU grant date and prior to the date on which the RSUs are settled. Specifically, when cash dividends are paid with respect to a share of outstanding Common Stock, an amount of cash per RSU equal to the cash dividend paid with respect to a share of outstanding Common Stock will be accrued with respect to each RSU. Dividend equivalents will be subject to the same vesting conditions and payment terms set forth herein as the shares to which they relate, but will be paid in cash to the extent the underlying RSUs vest. The dividend equivalents shall be treated as earnings on, and as a separate amount from, the RSUs for purposes of Section 409A of the Code.

E. Prior IBM Service

If you were transferred to the Company in connection with the Spin-Off you will have your prior service with IBM (as reflected in the Company's records as of the Spin-Off) counted as if it were service with the Company for purposes of determining years of service under your Award.

8. COUNTRY/JURISDICTION SPECIFIC TERMS AND CONDITIONS

A. Argentina

English Language Consent

You confirm that you have read and understood the terms and conditions of the Amended Plan and this Equity Award Agreement, which were provided in English. You accept and consent to the terms of the documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, being drawn up in English.

B. Canada

Form of Settlement

Notwithstanding any discretion contained in the Amended Plan or this Equity Award Agreement, the RSUs will be settled only in shares. The RSUs do not provide any right for you to receive a cash payment in settlement of the RSUs.

Nature of Grant

Notwithstanding any provision of this Equity Award Agreement to the contrary, in the event your employment is terminated (whether or not later found to be invalid or unlawful for any reason, including for breaching either applicable employment laws or your employment agreement, if any) your right to vest in the RSUs under the Amended Plan, if any, will terminate effective on the earliest of: (a) the date that your employment with the

Company is terminated; and (b) the date that you receive notice of termination of your employment with the Company, regardless of any notice period, period of pay in lieu of such notice or related payments or damages provided or required to be provided under applicable employment law in the jurisdiction where you are employed or the terms of your employment agreement, if any. You will not earn or be entitled to any pro-rated vesting for that portion of time before the date on which your right to vest terminates, nor will you be entitled to any compensation for lost vesting. Notwithstanding the foregoing, if applicable employment standards legislation explicitly requires continued entitlement to vesting during a statutory notice period, your right to vest in the RSUs under the Amended Plan, if any, will terminate effective as of the last day of your minimum statutory notice period, but you will not earn or be entitled to any compensation for lost vesting.

The following terms and conditions apply if you reside in Quebec:

The parties acknowledge that it is their express wish that this Equity Award Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English.

C. Denmark

Non-Solicitation

The following non-solicitation clause will replace the above non-solicitation provision for individuals with the home country of Denmark:

In consideration of your Award, you agree that during your employment with the Company, you will not directly or indirectly, solicit, for competitive business purposes, any customer of the Company. By accepting your Award, you acknowledge that the Company would suffer irreparable harm if you fail to comply with the foregoing, and that the Company would be entitled to any appropriate relief, including money damages, equitable relief and attorneys' fees.

D. France

English Language Consent

In addition to the English language provisions below, by accepting the grant of RSUs, you confirm having read and understood the Amended Plan and this Equity Award Agreement which were provided in English. You accept the terms and conditions of those documents accordingly.

E. Hong Kong

Settlement of Vested RSUs

The following provision supplements Section 9 (Payment of RSU Awards) of this Equity Award Agreement:

Notwithstanding any discretion set forth in the Amended Plan or this Equity Award Agreement, the RSUs will be settled only in shares. The RSUs do not provide any right for you to receive a cash payment in settlement of the RSUs.

Any shares received by you upon settlement of the RSUs are accepted by you as a personal investment. If, for any reason, the RSUs vest and become non-forfeitable and shares are issued or transferred to you within six (6) months after the RSU grant, you agree that you will not offer the shares to the public in Hong Kong or otherwise dispose of any such shares prior to the six (6) month anniversary of the RSU date of grant.

F. Mexico

Labor Law Acknowledgement and Policy Statement

By accepting the Awards, you acknowledge that the Company, is solely responsible for the administration of the Amended Plan. You further acknowledge that your participation in the Amended Plan, the grant of RSUs and any acquisition of shares under the Amended Plan does not constitute an employment relationship between you and the Company because you are participating in the Amended Plan on a wholly commercial basis. Based on the foregoing, you expressly acknowledge that the Amended Plan and the benefits that you may derive from participation in the Amended Plan do not establish any rights between you and the Company, and do not form part of the employment conditions and or benefits provided by the Company, and any modification of the Amended Plan or its termination shall not constitute a change or impairment of the terms and conditions of your employment.

You further understand that your participation in the Amended Plan is as a result of a unilateral and discretionary decision of the Company; therefore, the Company reserves the absolute right to amend and/or discontinue your participation at any time without any liability to you.

Finally, you hereby declare that you do not reserve any action or right to bring any claim against the Company for any compensation or damages regarding any provision of the Amended Plan or the benefits derived under the Amended Plan, and you therefore grant a full and broad release to the Company, branches, representative offices, shareholders, directors, officers, employees, agents, or legal representatives with respect to any claim that may arise.

Securities

You acknowledge that the Awards, this Equity Award Agreement, the Amended Plan and all other materials that you may receive regarding participation in the Amended Plan do not constitute advertising or an offering of securities in Mexico. The shares acquired pursuant to the Amended Plan have not and will not be registered in Mexico and therefore, neither the RSUs nor the shares may be offered or publicly circulated in Mexico.

G. Portugal

English Language Consent

You hereby expressly declare that you have full knowledge of the English language and have read, understood and fully accepted and agreed with the terms and conditions established in the Amended Plan and this Equity Award Agreement.

H. Spain

Labor Law Acknowledgment

This provision supplements the acknowledgements contained in Section 2 (Nature of Grant) of this Equity Award Agreement:

In accepting the grant of RSUs, you consent to participation in the Amended Plan and acknowledge that you have received a copy of the Amended Plan.

You understand that the Company has unilaterally, gratuitously and in its own discretion decided to grant under the Amended Plan to certain individuals who may be employees of the Company. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not bind the Company, other than as set forth in this Equity Award Agreement. Consequently, you understand that the Awards are granted on the assumption and condition that any shares acquired upon settlement of the Awards are not a part of any employment contract (with the Company) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation), or any other right whatsoever. Further, you understand that the Awards would not be granted to you but for the assumptions and conditions referred to above; thus, you acknowledge and freely accept

that should any or all of the assumptions be mistaken, or should any of the conditions not be met for any reason, any grant of or right to the Awards shall be null and void.

I. United Kingdom

Responsibility for Tax-Related Items

Without limitation to Section 12 of this Equity Award Agreement, you hereby agree that you are liable for all Tax-Related Items and hereby covenants to pay all such Tax-Related Items, as and when requested by the Company or by Fidelity (or any other tax authority or any other relevant authority). You also hereby agree to indemnify and keep indemnified the Company against any Tax-Related Items that they are required to pay or withhold or have paid or will pay on your behalf to Fidelity (or any other tax authority or any other relevant authority).

Notwithstanding the foregoing, if you are a director or executive officer of the Company (within the meaning of Section 13(k) of the Securities Exchange Act of 1934), the terms of the immediately foregoing provision will not apply.

J. United States

Trade Secrets

Nothing in the Amended Plan, prospectus, or this Equity Award Agreement affects your rights, immunities, or obligations under any federal, state, or local law, including under the Defend Trade Secrets Act of 2016 (DTSA), as described in Company policies, or prohibits you from reporting possible violations of law or regulation to a government agency, as protected by law. In accordance with the DTSA, you shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret if the disclosure (i) is made (1) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and (2) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. If you file a lawsuit for retaliation by the Company for reporting a suspected violation of law, you may disclose trade secrets to your attorney and use the trade secret information in such court proceeding, provided that you (i) file any document containing the trade secret under seal, and (ii) do not disclose the trade secret, except pursuant to court order.

You acknowledge that you have been advised by the Company to consult with counsel of your choosing concerning the contents of this Equity Award Agreement.

Cancellation, Rescission, and Clawback

For the avoidance of doubt, unless otherwise required or prohibited by law, the cancellation, rescission, clawback, and recoupment provisions of the Amended Plan will apply if you engage in (1) any Detrimental Activity as described in Section 13(a) of the Amended Plan prior to your employment relationship ending with the Company or (2) any Detrimental Activity described in Section 13(a) of the Amended Plan (other than engaging in competitive activities after your employment relationship has ended with the Company, as described in Section 13(a)(i) of the Amended Plan).

The cancellation, rescission and clawback provisions of the Amended Plan that apply if you engage in Detrimental Activity, as described in Section 13(a)(i) of the Amended Plan during your employment with the Company, constitute “non-competition restrictions” which may affect your ability to obtain future employment. The cancellation, rescission and clawback provisions of the Amended Plan that apply if you engage in Detrimental Activity, as described in Section 13(a)(vi) of the Amended Plan during or after your employment with the Company, as well as the restrictions in Section 3 of this Equity Award Agreement, constitute “non-solicitation restrictions.” By accepting this Award, you acknowledge that this Equity Award Agreement specifies valuable, mutually agreed, independent consideration (in the form of stock grants and/or long-term cash Awards) for the non-competition and non-solicitation restrictions contained in this Equity Award Agreement, and that the non-solicitation restrictions

referenced in this Equity Award Agreement are supported by valuable, mutually-agreed, independent consideration to which you are not otherwise entitled.

If you reside in or work from an office in Colorado, District of Columbia, or Illinois, you may consider this Equity Award Agreement for up to fourteen (14) days prior to signing it. If you reside in or work from an office in Massachusetts, this Equity Award Agreement will take effect no sooner than ten (10) business days after if it is signed by both you and the Company.

Nothing in this Section is intended to supersede or modify the New York choice-of-law provision in Section 5 of this Equity Award Agreement, except with respect to the enforceability of the noncompetition and non-solicitation restrictions, and then only to the extent you work in a state with a statute that provides solely for the law of that particular state to apply, and have worked in that state in the thirty (30) days prior to your execution of this Equity Award Agreement.

9. PAYMENT OF RSU AWARDS

Subject to Sections 12 and 13 of the Amended Plan and Section 7 of this Equity Award Agreement, upon the "Vesting" date(s) indicated above, the Company shall (1) deliver to you a number of shares of Common Stock equal to the number of your vested RSUs, or (2) make a cash payment to you equal to the Fair Market Value on the Vesting date of the number of your vested RSUs, except where cash payment is prohibited under local law. The aforementioned payment in shares is not applicable in countries in which the Company has determined that the Awards will be deemed to be paid in cash. In such deemed cash-settled countries, the Company shall make a cash payment equal to the Fair Market Value on the Vesting date of the number of your vested RSUs. In either case, the net of any applicable tax withholding, and the respective RSUs shall thereafter be cancelled. Such payment in shares or cash payment shall be made as soon as practicable following the time vesting of any portion of the Award, but in all events no later than 2 ½ months following the year in which your Award vests, and will equal the vested portion of the Award, subject to the terms and conditions of the Amended Plan and this Equity Award Agreement.

10. TRANSFERABILITY

You may not transfer or assign, pledge, pay to, exercise or otherwise encumber any RSUs under this Equity Award Agreement prior to the Vesting date, except by law, will or the laws of descent and distribution. Notwithstanding the foregoing, in no event shall RSUs be transferable or assignable other than by will or by the laws of descent and distribution.

Any shares issued or transferred shall be subject to your compliance with policies as the Committee or the Company may deem advisable from time to time, including without limitation, any policies relating to certain minimum stock ownership requirements, including, but not limited to, the Company's Stock Ownership Guidelines, if applicable. Such policies shall be binding upon the permitted respective legatees, legal representatives, successors and your assignees. The Company shall give notice of any such additional or modified terms and restrictions applicable to shares delivered or deliverable under this Equity Award Agreement to the holder of the RSUs and/or the shares so delivered, as appropriate, pursuant to the provisions of Section 11 or, if a valid address does not appear to exist in the Company's records, to the last address known by the Company of such holder. Notice of any such changes may be provided electronically, including, without limitation, by publication of such changes to a central website to which any holder of the RSUs or shares issued therefrom has access.

11. NOTICES

Any notice to be given under this Equity Award Agreement shall be addressed to the Company in care of its Chief Human Resources Officer at:

Kyndryl Holdings, Inc.
1 Vanderbilt Avenue, 15th Floor
New York, NY 10017
USA
Attn: Chief Human Resources Officer

(or, if different, the then-current principal business address of the duly appointed Chief Human Resources Officer of the Company) and to you at the address appearing in the Company's records for you or to either party at such other address as either party may hereto may hereafter designate in writing to the other. Any such notice shall be deemed effective upon receipt thereof by the addressee.

12. TAX WITHHOLDING

a. Regardless of any action the Company takes with respect to any and all income tax (including U.S. federal, state and local taxes or non-U.S. taxes), social insurance, payroll tax, fringe benefit, payment on account or other tax-related withholding that in the opinion of the Company is required by law ("Tax-Related Items"), you acknowledge that the ultimate liability for all Tax-Related Items legally due by you is and remains your responsibility and that the Company (i) makes no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the RSUs, including the grant of the RSUs, the vesting of the RSUs, the delivery or sale of any shares or cash acquired pursuant to the RSUs and the issuance of any dividends, if applicable, and (ii) will make every attempt to but, does not commit to structure the terms of the grant of any aspect of the RSUs to reduce or eliminate your liability for Tax-Related Items.

b. To the extent that the grant or vesting of the RSUs, the delivery of shares or cash pursuant to the RSUs or the issuance of dividend equivalents, if applicable, results in a withholding obligation for Tax-Related Items, unless otherwise specifically approved and directed by the Committee, you authorize the Company or agent of the Company to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following:

   (i) withholding from your wages or other cash compensation paid to you by the Company;

   (ii) withholding from proceeds of the sale of shares acquired upon settlement of the RSUs either through a voluntary sale or through a mandatory sale arranged by the Company (on your behalf pursuant to this authorization without further consent); or

   (iii) withholding from the shares to be delivered upon settlement of the RSUs that number of shares having a Fair Market Value equal to the amount required by law to be withheld. If you are subject to taxation in more than one jurisdiction, you acknowledge that the Company may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

c. You agree to pay to the Company any amount of Tax-Related Items that the Company may be required to withhold or account for as a result of your participation in the Amended Plan that cannot be satisfied by the means previously described. The Company may delay issuance or the delivery of the shares, cash or the proceeds of the sale of shares until such time arrangements have been made to ensure the remittance of all taxes due from you in connection with Tax-Related Items if you fail to comply with such Tax-Related Items.

d. You hereby acknowledge that you will not be entitled to any interest or appreciation on shares sold to satisfy the tax withholding requirements (including with respect to any amounts withheld in excess of your tax liability).

e. Regardless of any taxes that are withheld, you are solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on or in respect of your RSUs, including any taxes and penalties under Section 409A of the Code, and the Company has no obligation to indemnify or otherwise hold you harmless from any or all of such taxes or penalties.

13. RSUs SUBJECT TO THE PLAN

By entering into this Equity Award Agreement, you agree and acknowledge that you have received and read a copy of the Amended Plan. All Awards are subject to the Amended Plan. In the event of a conflict between any term or

condition contained herein and a term or provision of the Amended Plan, the applicable terms and conditions of the Amended Plan will govern and prevail.

14. AMENDMENTS

The rights and obligations under this Equity Award Agreement and their enforceability are subject to local tax and foreign exchange laws and regulations and, in this sense, the terms and conditions herein may be amended by the sole discretion of the Committee in order to comply with any such laws and regulations. The Board may also make amendments without consent to the extent the amendment does not impair a Participant's rights under the Amended Plan.

15. SIGNATURE IN COUNTERPARTS

To the extent that this Equity Award Agreement is manually signed, instead of electronically accepted by you (if permitted by the Company), it may be signed in counterparts, each of which shall be deemed an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

16. ADMINISTRATION AND CONSENT

In order to manage compliance with the terms of this Equity Award Agreement, shares delivered pursuant to this Equity Award Agreement may, at the sole discretion of the Company, be registered in the name of the nominee for the holder of the shares and/or held in the custody of a custodian until otherwise determined by the Company. The form of the custody agreement and the identity of the custodian and/or nominee shall be as determined from time to time by the Company in its sole discretion. A holder of shares delivered pursuant to this Equity Award Agreement acknowledges and agrees that the Company may refuse to register the transfer of and enter stop transfer orders against the transfer of such shares except for transfers deemed by it in its sole discretion to be in compliance with the terms of this Equity Award Agreement. The Company reserves the right to impose other requirements to the extent the Company determines, in its sole discretion, that such other requirements are necessary or advisable in order to comply with local laws, rules and/or regulations or to facilitate the operation and administration of the RSUs and the Amended Plan. This includes the RSUs, any shares you acquire pursuant to the RSUs and your participation in the Amended Plan. Such requirements may include (but are not limited to) requiring you to sign any agreements, undertakings or additional documents that may be necessary to accomplish the foregoing. You agree to take such other actions as may be deemed reasonably necessary or desirable by the Company to effectuate the provisions of this Equity Award Agreement, as in effect from time to time. As a holder of shares delivered pursuant to this Equity Award Agreement or any prior agreement between you and the Company, you acknowledge and agree that the Company may impose a legend on any document relating to shares issued or issuable pursuant to this Equity Award Agreement conspicuously referencing the restrictions applicable to such shares, and may instruct the administrator of any brokerage account into which shares have been initially deposited to freeze or otherwise prevent the disposition of such shares.

17. ENGLISH LANGUAGE

If you are a resident in a country where English is not an official language, you acknowledge and agree that it is your express intent that this Equity Award Agreement, the Amended Plan and all other documents, notices and legal proceedings entered into, given or instituted pursuant to the grant of RSUs, be drawn up in English. You acknowledge, that if you have received this Equity Award Agreement, the Amended Plan or any other document related to the RSUs translated into a language other than English, and if the meaning of the translated version is different than the English version, the English version will control.

18. SECTION 409A – DISABILITY; DEFERRAL ELECTIONS

If you reside in the United States and are subject to income taxation on the income resulting from this Equity Award Agreement under the laws of the United States, and the foregoing provisions of this Equity Award Agreement would result in adverse tax consequences to you, as determined by the Company, under Section 409A of the Code, then the following provisions shall apply and supersede the foregoing provisions:

a. "Disability" shall mean a disability within the meaning of Section 409A(a)(2)(C) of the Code.

b. Deferral elections made by United States taxpayers are subject to Section 409A of the Code. The Company will use commercially reasonable efforts to not permit RSUs to be deferred, accelerated, released, extended, paid out or modified in a manner that would result in the imposition of an additional tax under Section 409A of the Code. In the event that it is reasonably determined by the Company that, as a result of Section 409A of the Code, payments or delivery of the shares underlying the RSUs granted pursuant to this Equity Award Agreement may not be made at the time contemplated by the terms of the Award, as the case may be, without causing you to be subject to taxation under Section 409A of the Code, the Company will make such payment or share delivery as soon as practicable on or following the first date that would not result in you incurring any tax liability under Section 409A of the Code, and in any event, no later than the last day of the calendar year in which such first date occurs or two and half months following the first date in which the first date occurs.

c. If you are a "specified employee" (within the meaning of Section 409A(a)(2)(B)(i) of the Code), payments and deliveries of shares in respect of any RSUs subject to Section 409A of the Code that are payable upon your separation from service shall not be made prior to the date which is six (6) months after the date of your separation from service from the Company, determined in accordance with Section 409A of the Code and the regulations promulgated thereunder, or if earlier, your death.

d. The Company shall use commercially reasonable efforts to avoid subjecting you to any additional taxation under Section 409A of the Code as described herein; provided that neither the Company nor any of its employees, agents, directors or representatives shall have any liability to you with respect to Section 409A of the Code.

19. REPATRIATION; COMPLIANCE WITH LAW

If you are resident or employed outside the United States, you agree to repatriate all payments attributable to the shares and/or cash acquired under the Amended Plan in accordance with applicable foreign exchange rules and regulations in your country of residence (and country of employment, if different). In addition, you agree to take any and all actions, and consents to any and all actions taken by the Company, as may be required to allow the Company to comply with local laws, rules and/or regulations in your country of residence (and country of employment, if different). Further, you agree to take any and all actions as may be required to comply with your personal obligations under local laws, rules and/or regulations in your country of residence (and country of employment, if different).

20. INSIDER TRADING / MARKET ABUSE LAWS

By participating in the Amended Plan, you agree to comply with the Company's Insider Trading Policy (Securities Trading Policy). You further acknowledge that you may be subject to local insider trading and/or market abuse laws and regulations that are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. You acknowledge that it is your personal responsibility to comply with any applicable restrictions, and that you should consult your personal advisor on this matter.

21. WAIVER

No waiver of any breach or condition of this Equity Award Agreement shall be deemed to be a waiver of any other or subsequent breach or condition, whether of like or different nature.

22. ENTIRE AGREEMENT

This Equity Award Agreement, including the Amended Plan, contain the entire agreement between the parties with respect to the subject matter therein and supersedes all prior oral and written agreement between the parties pertaining to such matters. You acknowledge and agree that this Equity Award Agreement, including the Amended Plan, and all prior RSUs or other equity grant agreements [or Restrictive Covenants] between the Company, on the one hand, and you, on the other, are separate from, and shall not be modified or superseded in any way by any other agreements, including employment agreements, entered into between you and the Company.

IN WITNESS WHEREOF, the parties hereto have executed this Equity Award Agreement effective as of the Date of Grant set forth in this Equity Award Agreement.

KYNDRYL HOLDINGS, INC.

By:

Maryjo Charbonnier
Chief Human Resources Officer

[IF NOT ELECTRONICALLY ACCEPTED]

PARTICIPANT

_____
Signature

_____
Print Name

_____
Date

_____
Employee ID

Exhibit 21.1

SUBSIDIARIES

Subsidiaries—as of March 31, 2025

Company Name	State or Country of Incorporation or Organization
Kyndryl Argentina S.R.L.	Argentina
Kyndryl Australia Pty Ltd	Australia
Kyndryl Austria GmbH	Austria
Kyndryl Belgium BV/SRL	Belgium
Kyndryl Brasil Serviços Limitada	Brazil
Kyndryl Bulgaria EOOD	Bulgaria
Kyndryl Canada Limited	Canada
Kyndryl Chile SpA	Chile
Kyndryl (China) Information Technology Company Limited	China
Kyndryl Colombia SAS	Colombia
Kyndryl Costa Rica, Sociedad de Responsabilidad Limitada	Costa Rica
Kyndryl doo	Croatia
Kyndryl Česká republika, spol. s r.o.	Czech Republic
Kyndryl Danmark Aps	Denmark
Kyndryl Ecuador S.A.S.	Ecuador
Kyndryl Egypt LLC	Egypt
Kyndryl Estonia OU	Estonia
Kyndryl Finland Oy	Finland
Kyndryl France S.A.S.	France
Kyndryl Deutschland GmbH	Germany
Kyndryl Hellas Single Member Societe Anonyme	Greece
Kyndryl Hong Kong Limited	Hong Kong
Kyndryl Hungary Kft.	Hungary
Kyndryl Solutions Private Limited	India
PT Kyndryl Solutions Indonesia	Indonesia
Kyndryl Ireland Limited	Ireland
Kyndryl Treasury Services Designated Activity Company	Ireland
Kyndryl Israel Ltd.	Israel
Kyndryl Italia S.P.A.	Italy
Kyndryl Japan KK	Japan
Kyndryl Korea LLC	Korea
Kyndryl Latvia SIA	Latvia
Kyndryl Lithuania UAB	Lithuania
Kyndryl Luxembourg S.a.r.l.	Luxembourg
Kyndryl Macau Limited	Macao
Kyndryl Malaysia Sdn. Bhd.	Malaysia
Kyndryl Mexico S. de R.L. de C.V.	Mexico

Kyndryl 1 B.V.	Netherlands
Kyndryl Nederland B.V.	Netherlands
Kyndryl New Zealand Limited	New Zealand
Kyndryl Norway AS	Norway
Kyndryl Pakistan (Private) Limited	Pakistan
Kyndryl Peru S.A.C.	Peru
Kyndryl Philippines, Incorporated	Philippines
Kyndryl Poland Sp. z.o.o.	Poland
KNDRL Services Portugal, S.A.	Portugal
Kyndryl Romania S.R.L.	Romania
Kyndryl Saudi Information Technology Company	Saudi Arabia
Kyndryl (Singapore) Pte. Ltd.	Singapore
Kyndryl Services Slovensko, spol. s r.o.	Slovakia
Kyndryl Ljubljana, storitve informacijske tehnologije, d.o.o.	Slovenia
Kyndryl South Africa (Pty) Limited	South Africa
Kyndryl España, S.A.U.	Spain
Kyndryl Svenska Aktiebolag	Sweden
Kyndryl Switzerland GmbH	Switzerland
Kyndryl Taiwan Corporation	Taiwan
Kyndryl (Thailand) Company Limited	Thailand
Kyndryl Global Services IS ve Teknoloji Hizmetleri ve Ticaret Limited Sirketi	Turkey
Kyndryl Middle East LLC	UAE
Kyndryl Ukraine LLC	Ukraine
Kyndryl UK Limited	United Kingdom
Kyndryl, Inc.	United States
Kyndryl Uruguay S.A.	Uruguay
Kyndryl Venezuela S.C.A	Venezuela
Kyndryl Vietnam Company Limited	Vietnam

The names of particular subsidiaries have been omitted because, considered in the aggregate as a single subsidiary, they would not constitute, as of the end of the year covered by this report, a “significant subsidiary” as that term is defined in Rule 1-02(w) of Regulation S-X under the Securities Exchange Act of 1934.

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (No. 333-276713) and Form S-8 (Nos. 333-260412, 333-266427, and 333-273537) of Kyndryl Holdings, Inc. of our report dated May 30, 2025 relating to the financial statements and the effectiveness of internal control over financial reporting, which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP
New York, New York
May 30, 2025

Exhibit 24.1

POWER OF ATTORNEY

Each person whose signature appears below hereby constitutes and appoints Edward Sebold and Evan Barth, and each of them, any of whom may act without joinder of the other, the individual's true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for the person and in his or her name, place and stead, in any and all capacities, to sign this Annual Report on Form 10-K and any or all amendments thereto, and all other documents in connection therewith to be filed with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact as agents or any of them, or their substitute or substitutes, may lawfully do or cause to be done by virtue hereof. This Power of Attorney may be signed in any number of counterparts, each of which shall constitute an original and all of which, taken together, shall constitute one Power of Attorney.

	Signature	Title	Date
By	/s/ Martin J. Schroeter Martin J. Schroeter	Chief Executive Officer and Chairman of the Board (Principal Executive Officer)	May 30, 2025
By	/s/ David B. Wyshner David B. Wyshner	Chief Financial Officer (Principal Financial Officer)	May 30, 2025
By	/s/ Vineet Khurana Vineet Khurana	Senior Vice President and Global Controller (Principal Accounting Officer)	May 30, 2025
By	/s/ Dominic J. Caruso Dominic J. Caruso	Director	May 30, 2025
By	/s/ John D. Harris II John D. Harris II	Director	May 30, 2025
By	/s/ Stephen A.M. Hester Stephen A.M. Hester	Director	May 30, 2025
By	/s/ Shirley Ann Jackson Shirley Ann Jackson	Director	May 30, 2025
By	/s/ Janina Kugel Janina Kugel	Director	May 30, 2025
By	/s/ Denis Machuel Denis Machuel	Director	May 30, 2025
By	/s/ Rahul N. Merchant Rahul N. Merchant	Director	May 30, 2025
By	/s/ Jana Schreuder Jana Schreuder	Director	May 30, 2025
By	/s/ Howard I. Ungerleider Howard I. Ungerleider	Director	May 30, 2025

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

I, Martin J. Schroeter, certify that:

1. I have reviewed this Annual Report on Form 10-K of Kyndryl Holdings, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the Audit Committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 30, 2025

/s/ Martin J. Schroeter

Martin J. Schroeter
Chairman and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER

I, David B. Wyshner, certify that:

1. I have reviewed this Annual Report on Form 10-K of Kyndryl Holdings, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the Audit Committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 30, 2025

/s/ David B. Wyshner

David B. Wyshner
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

KYNDRYL HOLDINGS, INC.

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Kyndryl Holdings, Inc. (the "Company") on Form 10-K for the fiscal year ended March 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Martin J. Schroeter, Chairman and Chief Executive Officer of the Company, do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 30, 2025

/s/ Martin J. Schroeter
Martin J. Schroeter
Chairman and Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

KYNDRYL HOLDINGS, INC.

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Kyndryl Holdings, Inc. (the "Company") on Form 10-K for the fiscal year ended March 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, David B. Wyshner, Chief Financial Officer of the Company, do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 30, 2025

/s/ David B. Wyshner
David B. Wyshner
Chief Financial Officer
(Principal Financial Officer)