

(7.54.3.10) Explain target coverage and identify any exclusions

Target covers the entire Kyndryl organization and currently there are no exclusions.

(7.54.3.11) Target objective

Achieve net-zero by end of 2040

(7.54.3.12) Do you intend to neutralize any residual emissions with permanent carbon removals at the end of the target?

Select from:

☒ Yes

(7.54.3.13) Do you plan to mitigate emissions beyond your value chain?

Select from:

☒ No, and we do not plan to within the next two years

(7.54.3.14) Do you intend to purchase and cancel carbon credits for neutralization and/or beyond value chain mitigation?

Select all that apply

☒ No, we do not plan to purchase and cancel carbon credits for neutralization and/or beyond value chain mitigation

(7.54.3.15) Planned milestones and/or near-term investments for neutralization at the end of the target

Kyndryl has not actively planned yet on how to neutralize any residual emissions at the end of reaching our net-zero target. But Kyndryl will be evaluating this soon.

(7.54.3.17) Target status in reporting year

Select from:

☒ Underway

(7.54.3.19) Process for reviewing target

On yearly basis, with internal stakeholders

[Add row]

(7.55.1) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	40	<i>Numeric input</i>
To be implemented	28	1900
Implementation commenced	193	7300
Implemented	153	5400
Not to be implemented	0	<i>Numeric input</i>

[Fixed row]

(7.55.2) Provide details on the initiatives implemented in the reporting year in the table below.

Row 1

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in buildings

☒ Other, please specify: Cooling improvements, IT equipment refreshes and upgrades, equipment rightsizing, lighting replacements, etc.

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

5400

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☒ Scope 2 (location-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☒ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

2700000

(7.55.2.7) Payback period

Select from:

☒ 1-3 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☒ Ongoing

(7.55.2.9) Comment

These projects focused on improvements to cooling and air flow, rightsizing equipment based on current IT loads, IT hardware refreshes and optimizations, and lighting upgrades. To improve the efficiency of cooling, we have implemented projects related to floor tile management, air flow circulation, cold aisle installations, upgrading technology, right-sizing equipment, increasing free/indirect cooling, and shutting down or reducing the run time on unnecessary CRAC (computer room air conditioning) units. Rightsizing equipment includes adjusting our uninterruptable power supply (UPS) systems based on our current IT loads. For IT hardware, we identify and shut down zombie (idle) gear and replace legacy equipment with new technology. Lighting upgrades include installing LED lighting and motion sensors/limited to focus lighting on required areas. Annual monetary savings is rounded to the nearest hundred thousand and only includes projects with available estimated financial savings data.
[Add row]

(7.55.3) What methods do you use to drive investment in emissions reduction activities?

Row 1

(7.55.3.1) Method

Select from:

☒ Other :Customer requirements

(7.55.3.2) Comment

Kyndryl has thousands of customers globally, many of which also place a high priority on improving their climate-related performances. This has in the past, and will continue to in the future, resulted in specific customer requirements related to Kyndryl's climate-related performance.

Row 3

(7.55.3.1) Method

Select from:

☒ Compliance with regulatory requirements/standards

(7.55.3.2) Comment

Kyndryl is one of the largest participants in the EU Code of Conduct for Energy Efficiency in Data Centres. These data centers span across and beyond the EU. The European Code of Conduct for Energy Efficiency in Data Centres is a voluntary initiative that was launched in 2008 with the goal of improving energy efficiency in data centers, a sector of growing energy consumption. To be accepted into the initiative and to continue to be a part of the initiative, data centers must undergo detailed evaluations including comparison against best practices and plans to implement best practices in data center energy efficiency.

Row 4

(7.55.3.1) Method

Select from:

☒ Marginal abatement cost curve

(7.55.3.2) Comment

The MACC analysis was performed in addition to the vanilla financial optimization calculations to ascertain which profitable projects were producing the most efficient climate impact. The resulting list was prioritized for consideration.

Row 5

(7.55.3.1) Method

Select from:

☒ Financial optimization calculations

(7.55.3.2) Comment

Kyndryl is committed to energy conservation and energy management across our organization. Aligned to our business strategy, we are managing energy efficiency at our locations to optimize our energy consumption through IT equipment refreshing, consolidation and virtualization of IT workloads, and cooling and airflow efficiency projects. We evaluate and prioritize energy efficiency and greenhouse gas reduction projects based on numerous factors, including a project's ROI, to drive investment in the project.
[Add row]

C11. Environmental performance - Biodiversity

(11.2) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

(11.2.1) Actions taken in the reporting period to progress your biodiversity-related commitments

Select from:

☒ Yes, we are taking actions to progress our biodiversity-related commitments

(11.2.2) Type of action taken to progress biodiversity- related commitments

Select all that apply

☒ Education & awareness
☒ Other, please specify :Conducting biodiversity assessments

[Fixed row]

(11.3) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?
	Select from: ☒ No, we do not use indicators, but plan to within the next two years

[Fixed row]

(11.4) Does your organization have activities located in or near to areas important for biodiversity in the reporting year?

Legally protected areas

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☒ Yes

(11.4.2) Comment

Based on Kyndryl's materiality assessment, we concluded that biodiversity is not a sustainability material topic for our company. However, we acknowledge the importance of biodiversity and the significant connection between climate and nature. We are taking important steps to determine how we can help protect and restore nature, including conducting a data-centric biodiversity assessment of Kyndryl operated datacenters and offices and serviced datacenters using the Integrated Biodiversity Assessment Tool (IBAT). We completed IBAT's Disclosure report to evaluate our proximity (less than 5 km radius) and potential risk to areas important for biodiversity. The results showed that Kyndryl's locations are present in or near legally protected areas, UNESCO World Heritage sites, UNESCO Man and the Biosphere Reserves, Ramsar sites, Key Biodiversity Areas, and other areas important for biodiversity. IBAT shares in the results that "Proximity to, or even overlap with, a designated area does not necessarily mean that the area is being impacted by company activities. It indicates a risk that company activities may be affecting the area." We are currently reviewing the results to determine the appropriate next steps.

UNESCO World Heritage sites

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☒ Yes

(11.4.2) Comment

See above comment for more information.

UNESCO Man and the Biosphere Reserves

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☒ Yes

(11.4.2) Comment

See above comment for more information.

Ramsar sites

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☒ Yes

(11.4.2) Comment

See above comment for more information.

Key Biodiversity Areas

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☒ Yes

(11.4.2) Comment

See above comment for more information.

Other areas important for biodiversity

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☒ Yes

(11.4.2) Comment

See above comment for more information.

[Fixed row]

(11.4.1) Provide details of your organization's activities in the reporting year located in or near to areas important for biodiversity.

Row 1

(11.4.1.2) Types of area important for biodiversity

Select all that apply

☒ Ramsar sites
biodiversity

☒ Other areas important for

☒ Key Biodiversity Areas

☒ Legally protected areas

☒ UNESCO World Heritage sites

☒ UNESCO Man and the Biosphere Reserves

(11.4.1.3) Protected area category (IUCN classification)

Select from:

☒ Not applicable

(11.4.1.5) Name of the area important for biodiversity

Kyndryl has completed our preliminary biodiversity assessment using the Integrated Biodiversity Assessment Tool, and identified that we are located in or near over 1,000 areas important for biodiversity. IBAT shares in the results that "Proximity to, or even overlap with, a designated area does not necessarily mean that the area is

being impacted by company activities." We are currently reviewing the results to determine the appropriate next steps.

(11.4.1.6) Proximity

Select from:

☒ Up to 5 km

(11.4.1.8) Briefly describe your organization’s activities in the reporting year located in or near to the selected area

Kyndryl is located within 5 km of approximately 1,300 areas important for biodiversity in just over 50 countries. Our locations in these areas are primarily datacenters and offices, approximately half of which are operated by Kyndryl. Using ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure), we identified minimal nature dependencies with low material impacts for our sub-industry (IT Consulting & Other Services) and several potential impacts including water use, air pollutants, water pollutants, soil pollutants, and waste. Kyndryl has an integrated Environmental and Energy Management System to focus on our significant environmental aspects and energy uses. Our ISO 140001 and 50001 certified E&EnMS includes the evaluation of the impacts of our activities related to these aspects, the determination of potential risks and opportunities, and the development and execution of mitigation programs to address risks. IBAT shares in the results of our assessment that "Proximity to, or even overlap with, a designated area does not necessarily mean that the area is being impacted by company activities. It indicates a risk that company activities may be affecting the area." We are currently reviewing the results to determine the appropriate next steps.

(11.4.1.9) Indicate whether any of your organization’s activities located in or near to the selected area could negatively affect biodiversity

Select from:

☒ Not assessed

[Add row]

C13. Further information & sign off

(13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?

	Other environmental information included in your CDP response is verified and/or assured by a third party
	Select from: ☒ Yes

[Fixed row]

(13.1.1) Which data points within your CDP response are verified and/or assured by a third party, and which standards were used?

Row 1

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply
☒ Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Climate change
☒ Base year emissions
☒ Waste data
☒ Other data point in module 7, please specify: Water metrics

(13.1.1.3) Verification/assurance standard

General standards
☒ ISAE 3000

(13.1.1.4) Further details of the third-party verification/assurance process

To ensure the accuracy and integrity of our reporting, Kyndryl has utilized a third-party environmental consultant to assure GHG emissions metrics, waste metrics, and water metrics for fiscal year 2024 (Scope 1 and 2). Our FY23 GHG emissions (Scope 1, 2, and Scope 3 applicable categories except Cat 7) were assured by third-party consultants. Our 2023 third-party assured scope 3 emissions serve as an estimate for 2024 emissions disclosures across all categories applicable to Kyndryl. We are updating our methodologies based on best practices and lessons learned from our first year of emissions calculations. We are committed to high standards of data

accuracy and plan to share our third-party assured fiscal 2024 scope 3 emissions data, as well as any accuracy restatements, by the end of fiscal 2025 (March 31, 2025).

(13.1.1.5) Attach verification/assurance evidence/report (optional)

ERM CVS – Limited Assurance Report for Kyndryl FY2024.pdf
[Add row]

(13.2) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

(13.2.1) Additional information

At Kyndryl, sustainability, operational efficiency and climate resiliency are integral to how we think about our business and social responsibility. Sustainability has been embedded in our approach since the company's inception, and we continue to prioritize managing our operational efficiency in a manner that also supports climate resiliency. We are making progress on our efforts to optimize our energy use and reduce our emissions, waste and water consumption thanks to strong governance, alignment with our business strategy and collaboration across our company.
[Fixed row]

(13.3) Provide the following information for the person that has signed off (approved) your CDP response.

(13.3.1) Job title

Senior Vice President of Global Citizenship and Sustainability, Leader Environmental, People and Trust global programs Kyndryl Holdings, Inc.

(13.3.2) Corresponding job category

Select from:
☒ Chief Sustainability Officer (CSO)
[Fixed row]

