Kyndryl Confirms Converging Quantum, Data Sovereignty and Network Demands Expose Enterprise Readiness Gap

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Kyndryl Readiness Report reveals misalignment between infrastructure investment and preparedness for converging modernization demands

NEW YORK, March 10, 2026 /PRNewswire/ -- Kyndryl (NYSE: KD), a leading provider of mission-critical enterprise technology services, today released findings from its 2025-2026 Security and Networks Snapshot within the Kyndryl Readiness Report. The research shows that while organizations are increasing investments in next-generation infrastructure, many remain underprepared to address the combined impact of quantum computing, evolving data sovereignty requirements and aging network environments.

"Quantum threats, evolving data sovereignty rules and aging networks are not separate challenges; they are connected pressure points on the same system," said Paul Savill, Global Practice Leader, Cyber Security & Resiliency, Network & Edge, Kyndryl. "In the AI era, organizations engineered for agility, sovereignty awareness and quantum readiness will not only reduce risk, but also build the trust required to fuel innovation."

The report highlights that isolated approaches to quantum readiness, sovereignty-aware architecture and network modernization result in gaps between these domains that create operational blind spots and limit the resilience required to scale AI-driven business operations.

Key findings from the report include:

- **Quantum risk is rising faster than preparedness.** While 62% of organizations report investing in quantum technologies, only 4% of leaders see quantum as the most impactful near-term technology. At the same time, 20% worry current quantum investments may not deliver short-term ROI. This misalignment increases exposure to "harvest now, decrypt later" attacks, making post-quantum cryptography planning an immediate executive priority.

- **Data sovereignty is redrawing the enterprise architecture landscape.** As governments tighten rules around data location and access, digital sovereignty is becoming a design constraint rather than a compliance afterthought. Eighty-four percent of leaders say data sovereignty and repatriation regulations have grown more important in the past year, while 86% say regulatory alignment of cloud providers is increasingly critical.

- **Legacy networks are limiting next-generation AI.** AI-driven operations depend on uninterrupted, high-quality data flows, yet many networks are aging. Twenty-five percent of mission-critical networks, storage and servers are at end-of-service, and 20% of leaders say networks are a primary barrier to scaling recent technology investments. Despite heavy investment, only 37% believe their network infrastructure is ready for future risks.

The findings, based on insights from 3,700 business and technology leaders across 21 countries, underscore a widening gap between where enterprises are investing and how prepared their core infrastructure is to manage emerging threats in a complex and increasingly regulated global environment.

For more insights, view the full 2025-2026 Security and Networks Snapshot.

About Kyndryl
Kyndryl (NYSE: KD) 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. For more information, visit www.kyndryl.com.

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