UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q
☒ QUARTERLY REPORT PURSUANT TO SECTION 13 or 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2026
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 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)

855-596-3795
(Registrant’s telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

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

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section l3 or l5(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 is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The number of shares of the registrant’s Common Stock, par value $0.01 per share, outstanding at July 29, 2026 was 217,818,263.

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Part I - Financial Information

Item 1. Consolidated Financial Statements (Unaudited):

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

	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025
Revenues	$ 3,618	$ 3,743
Cost of services	$ 2,842	$ 2,947
Selling, general and administrative expenses	668	646
Workforce rebalancing charges	152	25
Transaction-related costs (benefits)	(38)	—
Impairment expense	38	—
Interest expense	34	19
Other expense (income)	(10)	13
Total costs and expenses	$ 3,687	$ 3,651
Income (loss) before income taxes	$ (69)	$ 92
Provision for income taxes	$ (14)	$ 36
Net income (loss)	$ (55)	$ 56
Basic earnings (loss) per share	$ (0.25)	$ 0.24
Diluted earnings (loss) per share	$ (0.25)	$ 0.23
Weighted-average basic shares outstanding	220.6	230.2
Weighted-average diluted shares outstanding	220.6	239.1

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

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

	Three Months Ended June 30,	
	2026	**2025**
Net income (loss)	$ (55)	$ 56
Other comprehensive income (loss), before tax:		
Foreign currency translation adjustments:		
Foreign currency translation adjustments	(16)	222
Unrealized gains (losses) on net investment hedges	14	(152)
Total foreign currency translation adjustments	(2)	71
Unrealized gains (losses) on cash flow hedges:		
Unrealized gains (losses) arising during the period	6	(10)
Reclassification of (gains) losses to net income	—	2
Total unrealized gains (losses) on cash flow hedges	6	(8)
Retirement-related benefit plans:		
Amortization of prior service costs (credits)	2	—
Amortization of net (gains) losses	—	3
Total retirement-related benefit plans	2	3
Other comprehensive income (loss), before tax	6	66
Income tax (expense) benefit related to items of other comprehensive income (loss)	(1)	—
Other comprehensive income (loss), net of tax	6	66
Total comprehensive income (loss)	$ (49)	$ 122

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

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

	June 30, 2026	March 31, 2026
Assets:		
Current assets:		
Cash and cash equivalents	$ 2,104	$ 2,623
Restricted cash	6	3
Accounts receivable (net of allowances for credit losses of $5 at June 30, 2026 and $7 at March 31, 2026)	1,248	1,300
Deferred costs (current portion)	1,146	1,166
Prepaid expenses and other current assets	564	436
Total current assets	$ 5,069	$ 5,528
Property and equipment, net	$ 2,477	$ 2,517
Operating right-of-use assets, net	859	853
Deferred costs (noncurrent portion)	1,822	1,880
Deferred taxes	248	240
Goodwill	784	786
Intangible assets, net	161	165
Pension assets	226	222
Other noncurrent assets	380	360
Total assets	$ 12,026	$ 12,551
Liabilities:		
Current liabilities:		
Accounts payable	$ 1,052	$ 1,346
Value-added tax and income tax liabilities	241	278
Current portion of long-term debt and short-term debt	1,781	1,796
Accrued compensation and benefits	415	463
Deferred income (current portion)	876	888
Operating lease liabilities (current portion)	264	265
Accrued contract costs	339	369
Other accrued expenses and liabilities	1,011	903
Total current liabilities	$ 5,980	$ 6,307
Long-term debt	$ 2,289	$ 2,293
Retirement and nonpension postretirement benefit obligations	489	490
Deferred income (noncurrent portion)	378	390
Operating lease liabilities (noncurrent portion)	596	602
Other noncurrent liabilities	1,125	1,176
Total liabilities	$ 10,859	$ 11,259
Commitments and contingencies		
Equity:		
Stockholders’ equity		
Common stock, par value $0.01 per share, and additional paid-in capital (shares authorized: 1,000.0; shares issued: June 30, 2026 – 247.2, March 31, 2026 – 244.4)	$ 4,722	$ 4,701
Accumulated deficit	(1,924)	(1,869)
Treasury stock, at cost (shares: June 30, 2026 – 27.8, March 31, 2026 – 21.7)	(659)	(582)
Accumulated other comprehensive income (loss)	(1,069)	(1,074)
Total stockholders’ equity before non-controlling interests	$ 1,070	$ 1,175
Non-controlling interests	97	117
Total equity	$ 1,167	$ 1,293
Total liabilities and equity	$ 12,026	$ 12,551

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

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

	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025
Cash flows from operating activities:		
Net income (loss)	$ (55)	$ 56
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation and amortization:		
Depreciation of property, equipment and capitalized software	183	191
Depreciation of right-of-use assets	68	73
Amortization of transition costs and prepaid software	331	308
Amortization of capitalized contract costs	94	106
Amortization of acquisition-related intangible assets	6	7
Stock-based compensation	21	24
Deferred taxes	(50)	(10)
Net (gain) loss on asset sales and other	6	—
Change in operating assets and liabilities:		
Right-of-use assets and liabilities (excluding depreciation)	(81)	(88)
Workforce rebalancing liabilities	132	3
Current accounts receivable	18	114
Lease and other receivables	(51)	(67)
Accounts payable	(320)	(269)
Taxes	(32)	27
Deferred transition costs and prepaid software (excluding amortization)	(246)	(1,259)
Capitalized contract costs (excluding amortization)	(108)	(122)
Other assets and other liabilities	(228)	781
Net cash provided by (used in) operating activities	$ (310)	$ (124)
Cash flows from investing activities:		
Capital expenditures	$ (149)	$ (143)
Proceeds from disposition of property and equipment	58	45
Acquisitions and divestitures, net of cash acquired	31	1
Other investing activities, net	11	22
Net cash used in investing activities	$ (49)	$ (74)
Cash flows from financing activities:		
Debt repayments	$ (52)	$ (36)
Common stock repurchases	(64)	(62)
Common stock repurchases for tax withholdings	(13)	(67)
Other financing activities, net	(23)	(5)
Net cash used in financing activities	$ (152)	$ (170)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	$ (4)	$ 46
Net change in cash, cash equivalents and restricted cash	$ (515)	$ (323)
Cash, cash equivalents and restricted cash at beginning of period	$ 2,626	$ 1,789
Cash, cash equivalents and restricted cash at end of period	$ 2,111	$ 1,466
Supplemental data:		
Income taxes paid, net of refunds received	$ 76	$ 67
Interest paid on debt	$ 50	$ 39

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

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

	Common Stock and Additional Paid-In Capital Shares	Common Stock and Additional Paid-In Capital Amount	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Accumulated Deficit	Non-Controlling Interests	Total Equity
Equity – April 1, 2026	222.7	$ 4,701	$ (1,074)	$ (582)	$ (1,869)	$ 117	$ 1,293
Net income					(55)		(55)
Other comprehensive income (loss), net of tax			6				6
Activity related to employee stock plans	2.8	21					21
Purchases of treasury stock	(6.1)			(77)			(77)
Changes in non-controlling interests						(21)	(21)
Equity – June 30, 2026	219.4	$ 4,722	$ (1,069)	$ (659)	$ (1,924)	$ 97	$ 1,167

	Common Stock and Additional Paid-In Capital Shares	Common Stock and Additional Paid-In Capital Amount	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Accumulated Deficit	Non-Controlling Interests	Total Equity
Equity – April 1, 2025	230.6	$ 4,631	$ (1,160)	$ (184)	$ (2,067)	$ 113	$ 1,331
Net income					56		56
Other comprehensive income (loss), net of tax			66				66
Activity related to employee stock plans	4.0	26					26
Purchases of treasury stock	(3.5)			(132)			(132)
Changes in non-controlling interests						(3)	(3)
Equity – June 30, 2025	231.1	$ 4,656	$ (1,094)	$ (317)	$ (2,011)	$ 110	$ 1,343

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES

Description of Business

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.

Kyndryl was formed in November 2021 from a spin-off (the “Separation,” the “Spin-off” or “spin”) from International Business Machines Corporation (“IBM” or “former Parent”) of the infrastructure services unit of IBM’s Global Technology Services segment.

Basis of Presentation

The accompanying condensed Consolidated Financial Statements and footnotes have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”). Management believes the accompanying financial statements include all adjustments necessary to state fairly the Company’s financial position and its results of operations for all the periods presented. The information included in this Form 10-Q should be read in conjunction with the Company’s Annual Report on Form 10-K for the fiscal year ended March 31, 2026.

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.

Principles of Consolidation

The accompanying financial statements are presented on a consolidated basis. All significant transactions and intercompany accounts between Kyndryl entities were eliminated.

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 and deferred transition costs. We prepared these estimates based on the most current and best available information, but actual results could differ materially from these estimates and assumptions.

The Company uses the estimated annual effective tax rate method in computing its interim tax provision in accordance with U.S. GAAP. The estimated annual effective tax rate is applied to the year-to-date ordinary income, exclusive of discrete items, to arrive at the reported interim tax provision.

NOTE 2. ACCOUNTING PRONOUNCEMENTS

Standards Implemented

In December 2023, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“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 adopted the guidance prospectively for the fiscal year ended March 31, 2026.

Notes to Consolidated Financial Statements (continued)

Recent Pronouncements

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 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.

In September 2025, the FASB issued ASU 2025-06, *Intangibles – Goodwill and Other (Topic 350): Targeted Improvements to the Accounting for Internal-Use Software*, which amends the criteria for capitalization of internal-use software costs. The guidance is effective for the fiscal years beginning after December 15, 2027 and interim reporting periods within fiscal years beginning after December 15, 2027, 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 June 30, 2026, the aggregate amount of RPO related to customer contracts that are unsatisfied or partially unsatisfied was $32.2 billion. Approximately 59 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.

During the three months ended June 30, 2026 and June 30, 2025, revenue increased by $2 million and $13 million, respectively from performance obligations satisfied (or partially satisfied) in previous periods, mainly due to changes in estimates.

Notes to Consolidated Financial Statements (continued)

Contract Balances

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

(Dollars in millions)	June 30, 2026	March 31, 2026
Assets		
Accounts receivable (net of allowances for credit losses of $5 at June 30, 2026 and $7 at March 31, 2026)(1)	$ 1,248	$ 1,300
Long-term accounts receivable(2)	121	80
Sales-type leases receivable	166	156
Contract assets(3)	57	44
Total	$ 1,592	$ 1,580
Liabilities		
Deferred income (current)	$ 876	$ 888
Deferred income (noncurrent)	378	390
Total	$ 1,255	$ 1,279

(1) Includes unbilled receivable balances of $470 million at June 30, 2026 and $431 million at March 31, 2026.
(2) Long-term accounts receivable includes unbilled receivable balances of $42 million at June 30, 2026 and $46 million at March 31, 2026, and is included within Other noncurrent assets in the Consolidated Balance Sheet.
(3) 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 three months ended June 30, 2026 and June 30, 2025 that was included within the deferred income balance at March 31, 2026 and March 31, 2025 was $392 million and $322 million, respectively.

The following table provides roll-forwards of the accounts receivable allowance for expected credit losses for the three months ended June 30, 2026 and 2025:

(Dollars in millions)	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025
Beginning balance	$ 7	$ 13
Additions (releases)	(1)	(3)
Write-offs	(1)	(1)
Other*	—	1
Ending balance	$ 5	$ 9

* Primarily represents translation adjustments.

The allowance for expected credit losses of long-term accounts receivable, sales-type leases receivable, and contract assets 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 three months ended June 30, 2026 and 2025. No single client represented more than 10 percent of the Company's total accounts receivable balance as of June 30, 2026 and March 31, 2026, respectively.

Notes to Consolidated Financial Statements (continued)

Deferred Costs

The following table provides amounts of capitalized costs to acquire and fulfill customer contracts at June 30, 2026 and March 31, 2026:

(Dollars in millions)	June 30, 2026	March 31, 2026
Deferred transition costs	$ 748	$ 761
Prepaid software costs[1]	1,735	1,809
Capitalized costs to fulfill contracts	218	208
Capitalized costs to obtain contracts	268	268
Total deferred costs[2]	$ 2,968	$ 3,046

(1) Prepaid software costs include deferred costs for committed multi-year, on-premises software purchase contracts.
(2) Of the total deferred costs, $1,146 million was current and $1,822 million was noncurrent at June 30, 2026, and $1,166 million was current and $1,880 million was noncurrent at March 31, 2026.

The amount of total deferred costs amortized for the three months ended June 30, 2026 was $426 million, composed of $56 million of amortization of deferred transition costs, $275 million of amortization of prepaid software costs and $94 million of amortization of capitalized contract costs. The amount of total deferred costs amortized for the three months ended June 30, 2025 was $414 million, composed of $63 million of amortization of deferred transition costs, $245 million of amortization of prepaid software costs and $106 million of amortization of capitalized contract costs.

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, which includes countries in regions such as Latin America, Benelux, ASEAN, and Australia / New Zealand.

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

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

Notes to Consolidated Financial Statements (continued)

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:

	Three Months Ended June 30, 2026				
(Dollars in millions)	**United States**	**Japan**	**Principal Markets**	**Strategic Markets**	**Total Segments**
Revenue	$ 954	$ 534	$ 1,262	$ 868	$ 3,618
Cost of service, excluding depreciation and amortization[1]	569	332	853	580	2,334
Selling, general and administrative expenses, excluding depreciation and amortization[1]	148	84	217	153	602
Other items[2]	17	8	41	74	140
Segment adjusted EBITDA	$ 220	$ 109	$ 151	$ 62	$ 542

	Three Months Ended June 30, 2025				
(Dollars in millions)	**United States**	**Japan**	**Principal Markets**	**Strategic Markets**	**Total Segments**
Revenue	$ 911	$ 578	$ 1,356	$ 898	$ 3,743
Cost of service, excluding depreciation and amortization[1]	570	371	928	585	2,454
Selling, general and administrative expenses, excluding depreciation and amortization[1]	137	85	218	143	583
Other items[2]	7	7	12	7	34
Segment adjusted EBITDA	$ 196	$ 115	$ 197	$ 163	$ 672

(1) 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.
(2) Other items include workforce rebalancing charges and other expense (income).

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

	Three Months Ended June 30,	
(Dollars in millions)	**2026**	**2025**
Segment adjusted EBITDA	$ 542	$ 672
Transaction-related (costs) benefits	38	—
Stock-based compensation expense	(21)	(24)
Impairment expense	(38)	—
Interest expense	(34)	(19)
Depreciation of property, equipment and capitalized software	(183)	(191)
Amortization expense	(338)	(315)
Corporate expense not allocated to the segments	(30)	(26)
Other adjustments*	(5)	(5)
Pretax income (loss)	$ (69)	$ 92

* 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.

Notes to Consolidated Financial Statements (continued)

NOTE 5. TAXES

For the three months ended June 30, 2026, the Company recorded an income tax benefit of $14 million, reflecting an effective tax rate of 20.6%, compared to a tax expense of $36 million and an effective tax rate of 39.1% for the three months ended June 30, 2025.

The income tax benefit in the current-year period was primarily driven by a pretax loss, resulting in a tax benefit in jurisdictions where such losses are expected to be realized. The income tax expense in the prior-year period was primarily attributable to taxes on foreign operations and valuation allowances recorded in certain jurisdictions against deferred tax assets that were not more likely than not to be realized.

NOTE 6. EARNINGS (LOSS) PER SHARE

We did not declare any dividends in the periods presented. The following table provides the computation of basic and diluted earnings (loss) per share of common stock for the three months ended June 30, 2026 and 2025.

	Three Months Ended June 30,	
(In millions, except per share amounts)	**2026**	**2025**
Net income (loss) on which basic and diluted earnings per share is calculated	$ (55)	$ 56
Number of shares on which basic earnings (loss) per share is calculated	220.6	230.2
Dilutive effect of stock options and equity awards	—	8.9
Number of shares on which diluted earnings (loss) per share is calculated	220.6	239.1
Basic earnings (loss) per share	$ (0.25)	$ 0.24
Diluted earnings (loss) per share	(0.25)	0.23

For the three months ended June 30, 2026, 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:

	Three Months Ended June 30,	
(In millions)	**2026**	**2025**
Nonvested restricted stock units	7.4	0.8
Nonvested performance-conditioned stock units	4.3	3.4
Nonvested market-conditioned stock units	0.6	—
Stock options issued and outstanding	2.6	—
Total	14.8	4.3

Notes to Consolidated Financial Statements (continued)

NOTE 7. FINANCIAL ASSETS AND LIABILITIES

Fair Value Measurements

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.

We perform a qualitative assessment of asset impairments on a periodic basis and recognize an impairment if there are sufficient indicators that the fair value is less than carrying value. During the three months ended June 30, 2026, the company recorded an impairment of $38 million in connection with a non-financial asset that became held for sale and was sold in the quarter. There were no additional impairments of non-financial assets recognized for the three months ended June 30, 2026 or 2025.

Notes to Consolidated Financial Statements (continued)

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 June 30, 2026 and March 31, 2026.

(Dollars in millions)	Fair Value Hierarchy Level	At June 30, 2026 Assets	At June 30, 2026 Liabilities	At June 30, 2026 Fair Value	At March 31, 2026 Assets	At March 31, 2026 Liabilities	At March 31, 2026 Fair Value
Derivatives designated as hedging instruments:							
Foreign exchange contracts	2	$ 8	$ 58	$ (49)	$ 8	$ 68	$ (60)
Cross-currency swap contracts	2	55	14	41	41	13	28
Derivatives not designated as hedging instruments:							
Foreign exchange contracts	2	—	7	(7)	3	4	(1)
Total		$ 63	$ 78	$ (15)	$ 53	$ 85	$ (32)

The gross balances of derivative assets, including accrued interest, are contained within Prepaid expenses and other current assets, and Other noncurrent assets in the Consolidated Balance Sheet. The gross balances of derivative liabilities are contained within Other accrued expenses and liabilities, and 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 June 30, 2026 and March 31, 2026. The potential effect of such netting arrangements on the Company's balance sheet is not material for the periods presented. 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 balances of these time deposits with maturities of 90 days or less contained within Cash and cash equivalents in the Consolidated Balance Sheet at June 30, 2026 and March 31, 2026 were $1.4 billion and $1.7 billion, 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. Our outstanding debt (excluding finance lease obligations) had a carrying value of $3.9 billion as of June 30, 2026 and March 31, 2026. The debt had an estimated fair value of $3.6 billion as of June 30, 2026 and March 31, 2026. See Note 10 – Borrowings for additional information.

Notes to Consolidated Financial Statements (continued)

Transfers of Financial Assets

The Company has entered into arrangements with third-party financial institutions to sell certain financial assets (primarily accounts 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 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 $0.6 billion for the three months ended June 30, 2026 and $0.6 billion for the three months ended June 30, 2025. Of the receivables sold and derecognized from the Consolidated Balance Sheet, $0.8 billion and $0.9 billion remained uncollected from customers at June 30, 2026 and March 31, 2026, respectively. The fees associated with the transfers of receivables were $4 million for the three months ended June 30, 2026 and $5 million for the three months ended June 30, 2025.

Derivative Financial Instruments

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

	At June 30, 2026			At March 31, 2026		
(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	$ 694	$ —	$ 694	$ 402	$ —	$ 402
Net investment hedges	638	500	1,138	749	500	1,249
Derivatives not designated as hedging instruments	$ 761	$ —	$ 761	$ 620	$ —	$ 620

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 and intercompany payments for royalties denominated in certain currencies. Changes in fair value of derivatives designated as cash flow hedges are recorded, net of applicable taxes, in other comprehensive income ("OCI") and subsequently reclassified into the same income statement line item as the hedged exposure when the underlying hedged item is recognized in earnings. 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.

At June 30, 2026, the maximum remaining length of time over which the Company has hedged its exposure is approximately one year. At June 30, 2026 and March 31, 2026, the weighted-average remaining maturity of these instruments was approximately 0.5 years. At June 30, 2026 and March 31, 2026, in connection with cash flow hedges of foreign currency cost transactions, the Company had unrealized losses of $1 million and $7 million (each before taxes), respectively, in accumulated other comprehensive income ("AOCI"). The Company estimates that $1 million (before taxes) of deferred net losses on derivatives in AOCI at June 30, 2026 will be reclassified to net income within the next twelve months, providing an offsetting economic impact against the underlying anticipated transactions.

Notes to Consolidated Financial Statements (continued)

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. 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 difference between the forward rate and spot rate is excluded from the assessment of hedge effectiveness. Excluded components are recognized in interest expense on the Consolidated Income Statement on a systematic and rational basis over the life of the derivative instruments. 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.

At June 30, 2026, the maximum remaining length of time over which the Company has hedged its exposure is approximately eight years. At June 30, 2026 and March 31, 2026, the weighted-average remaining maturity of the Company's net investment hedge instruments was approximately four and three years, respectively. At June 30, 2026 and March 31, 2026, the Company had unrealized losses of $67 million and $81 million (each before taxes), respectively, in AOCI related to net investment hedges. As of June 30, 2026, $37 million of these unrealized losses relate to settled instruments.

Derivatives Not Designated as Hedging Instruments

The Company enters into currency forward and swap contracts to hedge exposures related to assets, liabilities and earnings across its subsidiaries. These contracts are not designated as hedging instruments, and therefore changes in fair value of these contracts are reported in earnings in Other expense (income) in the Consolidated Income Statement. The gains and losses on these contracts generally offset the gains and losses in the underlying hedged exposures, which are also reported in Other expense (income) in the Consolidated Income Statement. Cash flows from derivatives not designated as hedges are reported as cash flows from investing activities in the Consolidated Statement of Cash Flows. The terms of these swap contracts are generally less than one year.

Notes to Consolidated Financial Statements (continued)

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:

(Dollars in millions) Three months ended June 30:	Unrealized Gain (Loss) Recognized in OCI 2026	Unrealized Gain (Loss) Recognized in OCI 2025	Consolidated Income Statement Line Item	Gain (Loss) Reclassified from AOCI to Income 2026	Gain (Loss) Reclassified from AOCI to Income 2025	Amounts Excluded from Effectiveness Testing 2026	Amounts Excluded from Effectiveness Testing 2025
Derivative instruments in cash flow hedges:							
Foreign exchange contracts	$ 6	$ (10)	Cost of services	$ —	$ (2)	$ —	$ —
			Other expense (income)	—	—	—	—
Derivative instruments in net investment hedges:							
Cross-currency swaps	10	(24)	Interest expense	—	—	3	3
Foreign exchange contracts	5	(127)	Interest expense	—	—	4	8
Total	$ 20	$ (161)		$ —	$ (2)	$ 7	$ 10

For the three months ended June 30, 2026 and 2025, there were no gains or losses due to an underlying exposure that did not, or was not expected to, occur.

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

(Dollars in millions) Three months ended June 30:	Consolidated Income Statement Line Item	Gain (Loss) Recognized on Derivatives 2026	Gain (Loss) Recognized on Derivatives 2025
Foreign exchange contracts	Other expense (income)	$ 2	$ 47
Total		$ 2	$ 47

For the three months ended June 30, 2026 and 2025, our net income included a gain of $7 million and a loss of $61 million (each before taxes), respectively, from foreign currency transactions.

NOTE 8. ACQUISITIONS AND DIVESTITURES

Proposed Acquisition of Solvinity

In November 2025, the Company entered into an agreement to acquire all outstanding equity interests of Solvinity Group B.V. (“Solvinity”), a provider of managed cloud platforms and services in the Netherlands, for cash consideration of approximately €100 million. As previously disclosed, the transaction was subject to customary closing conditions, including regulatory approval. On May 25, 2026, the State Secretary for Economic Affairs and Climate Policy in the Netherlands issued a decision prohibiting the transaction pursuant to relevant legislation. Solvinity and its controlling shareholders are exploring remedies, including contesting the government’s decision and potentially seeking recovery from the Company. Costs associated with this pending acquisition were immaterial.

Other Disposal Activity

In April 2026, the Company entered into a definitive agreement to sell a wholly-owned digital solutions subsidiary within the Company's Principal Markets segment. During the three months ended June 30, 2026, the Company completed the sale of the business. In connection with the sale, the Company recognized a $40 million pretax gain, which was recorded within Transaction-related costs (benefits) on the Consolidated Income Statement. This

Notes to Consolidated Financial Statements (continued)

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 9. INTANGIBLE ASSETS INCLUDING GOODWILL

Intangible Assets

The following table presents the Company's intangible asset balances by major asset class.

	At June 30, 2026			At March 31, 2026		
(Dollars in millions)	**Gross Carrying Amount**	**Accumulated Amortization**	**Net Carrying Amount**	**Gross Carrying Amount**	**Accumulated Amortization**	**Net Carrying Amount**
Capitalized software	$ 186	$ (68)	$ 118	$ 175	$ (59)	$ 116
Customer relationships*	115	(81)	34	116	(77)	39
Completed technology	13	(6)	7	13	(5)	8
Patents and trademarks*	14	(12)	2	14	(12)	2
Total	$ 328	$ (167)	$ 161	$ 318	$ (153)	$ 165

* Amounts include effects from foreign currency translation.

The net carrying amount of intangible assets decreased by $4 million during the three months ended June 30, 2026, primarily due to amortization, partially offset by capitalized software added during the period. Aggregate intangible asset amortization expense was $15 million for the three months ended June 30, 2026 and 2025. This included amortization of capitalized software of $9 million and $8 million for the three months ended June 30, 2026, and 2025, respectively, which was reported in Depreciation of property, equipment and capitalized software on the Consolidated Statement of Cash Flows.

The future amortization expense relating to intangible assets currently recorded in the Consolidated Balance Sheet was estimated to be the following at June 30, 2026:

(Dollars in millions)	**Capitalized Software**	**Customer Relationships**	**Completed Technology**	**Patents and Trademarks**	**Total**
Year ending March 31:					
2027 (remaining nine months)	$ 29	$ 13	$ 2	$ 2	$ 45
2028	35	5	3	—	42
2029	29	5	3	—	36
2030	18	4	—	—	22
2031	8	4	—	—	11
Thereafter	—	4	—	—	4

Notes to Consolidated Financial Statements (continued)

Goodwill

The changes in the goodwill balances by segment for the three months ended June 30, 2026 were as follows:

(Dollars in millions) Segment	Balance at March 31, 2026	Foreign Currency Translation Adjustments	Balance at June 30, 2026
United States	$ 11	$ —	$ 11
Japan	484	(1)	483
Principal Markets	92	—	92
Strategic Markets	198	—	198
Total	$ 786	$ (1)	$ 784

There were no goodwill impairment losses recorded for the three months ended June 30, 2026 and 2025. 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.

NOTE 10. BORROWINGS

Debt

The Company’s total current portion of long-term debt and short-term debt as of June 30, 2026 and March 31, 2026 was $1.8 billion and $1.8 billion, respectively. As of June 30, 2026, this balance primarily consisted of $781 million of current portion of long term debt, as detailed in the long-term debt table below, and $1 billion outstanding under the Company’s revolving credit facility issued in February 2026. As of March 31, 2026, this balance primarily consisted of $796 million of current portion of long-term debt, as detailed in the long-term debt table below, and $1 billion outstanding under the Company’s revolving credit facility drawn in February 2026.

The following table presents the components of our long-term debt:

(Dollars in millions)	Interest Rate	Maturity	June 30, 2026	March 31, 2026
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%(1)	February 2034	500	500
Unsecured senior notes due 2041	4.10%	October 2041	550	550
Finance lease and other obligations	5.54%(2)	2027-2032	185	204
			$ 3,085	$ 3,104
Less: Unamortized discount			3	4
Less: Unamortized debt issuance costs			11	12
Less: Current portion of long-term debt			781	796
Total long-term debt			$ 2,289	$ 2,293

(1) 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.
(2) Weighted-average discount rate.

Notes to Consolidated Financial Statements (continued)

Contractual obligations of long-term debt outstanding at June 30, 2026, exclusive of finance lease obligations, are as follows:

(Dollars in millions)*	Principal
Year ending March 31:	
2027 (remaining nine months)	$ 703
2028	—
2029	500
2030	—
2031	—
Thereafter	1,700
Total	$ 2,903

* Contractual obligations approximate scheduled repayments.

In February 2026, the Company borrowed $1 billion under a $3.15 billion multi-currency revolving credit agreement ("Revolving Credit Agreement"), currently bearing an interest rate of 5.09%. Proceeds are intended to be used for working capital and other general corporate purposes, which may include repayment of indebtedness and acquisitions. The borrowing matures in August 2026. In the second quarter, we have extended it for an additional three months to mature in November 2026. As of June 30, 2026, approximately $2.2 billion of additional capacity remained available. The Company is in compliance with its debt covenants in all periods presented.

NOTE 11. 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 June 30, 2026 and March 31, 2026 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. During the three months ended June 30, 2026, 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, and could become subject to, either as plaintiff or defendant, a variety of contingencies, including claims, demands and suits, investigations, tax matters and other legal proceedings that arise from time to time, including in the ordinary course of its business. In addition, given the rapidly evolving external landscape of cybersecurity, privacy and data protection laws, regulations and threat actors, the Company or its clients have and could become subject to actions or proceedings in various jurisdictions. The Company is also subject to, and 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 commercial matters, contracts, securities, foreign operations, competition law, environmental matters and regulatory compliance matters, among others. These actions have been and may be commenced by a number of different parties, including competitors, clients, suppliers, service providers, licensees, 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 involve particularly complex technical issues, and some actions raise novel questions under the laws of the various jurisdictions in which these matters arise. Additionally, the Company is, and may become, a party to agreements pursuant to which it may be obligated to indemnify the other party with respect to certain disputed matters. The Company cannot predict the final outcome in any type of legal proceeding described above and there can be no assurance that the Company will be successful or obtain any requested relief or outcome in any matter. Matters often develop over a long period of time and expectations can change as a result of new findings, rulings, appeals, settlements, legal or regulatory changes or other factors. From time to time, the Company may discontinue or settle and compromise matters as appropriate in the Company's best interest.

Notes to Consolidated Financial Statements (continued)

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. If the Company is unable to assess the outcome of a matter or estimate the possible loss or range of losses that could potentially result from such matter, a liability is not recorded.

The Company reviews claims, suits, investigations and proceedings, and decisions are made with respect to recording or adjusting provisions and relevant disclosures 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 prosecute or defend itself vigorously, as appropriate, it is possible that the Company’s business, financial condition, results of operations or cash flows could be affected overall or in any particular fiscal period by any of these matters or any claims or legal proceedings that arise as a result of these matters. In addition, the legal costs associated with the foregoing could be substantial, regardless of their outcome.

SEC Matter

The Company continues to cooperate with the Division of Enforcement of the Securities and Exchange Commission (the “SEC”) in its investigation relating to the Company’s cash management practices, related disclosures, the efficacy of the Company’s internal control over financial reporting, and certain other matters. The matter is ongoing and the Company cannot currently predict its final outcome.

Securities Litigation

In February and March 2026, two purported Company stockholders filed putative class actions in the U.S. District Court for the Eastern District of New York and in the U.S. District Court for the Southern District of New York against the Company and certain current and former officers, alleging false and misleading statements in the Company’s disclosures. In June 2026, the plaintiff in the Eastern District of New York action voluntarily dismissed his claims. The plaintiff in the Southern District of New York action seeks monetary damages and costs and expenses. The Southern District of New York action is ongoing and the Company cannot currently predict its final outcome.

Notes to Consolidated Financial Statements (continued)

NOTE 12. EQUITY

The following table presents reclassifications and taxes related to items of other comprehensive income (loss) for the three months ended June 30, 2026 and 2025:

(Dollars in millions)	Pretax Amount	Tax (Expense) Benefit	Net-of-Tax Amount
For the three months ended June 30, 2026:			
Foreign currency translation adjustments:			
Foreign currency translation adjustments	$ (16)	$ —	$ (16)
Unrealized gains (losses) on net investment hedges	14	—	14
Total foreign currency translation adjustments	$ (2)	$ —	$ (2)
Unrealized gains (losses) on cash flow hedges:			
Unrealized gains (losses) arising during the period	$ 6	$ —	$ 6
Reclassification of (gains) losses to net income	—	—	(1)
Total unrealized gains (losses) on cash flow hedges	$ 6	$ —	$ 6
Retirement-related benefit plans:			
Amortization of prior service costs (credits)	$ 2	$ —	$ 1
Amortization of net (gains) losses	—	—	—
Total retirement-related benefit plans	$ 2	$ —	$ 2
Other comprehensive income (loss)	$ 6	$ (1)	$ 6
For the three months ended June 30, 2025:			
Foreign currency translation adjustments:			
Foreign currency translation adjustments	$ 222	$ —	$ 222
Unrealized gains (losses) on net investment hedges	(152)	—	(152)
Total foreign currency translation adjustments	$ 71	$ —	$ 71
Unrealized gains (losses) on cash flow hedges:			
Unrealized gains (losses) arising during the period	$ (10)	$ 1	$ (9)
Reclassification of (gains) losses to net income	2	—	2
Total unrealized gains (losses) on cash flow hedges	$ (8)	$ 1	$ (7)
Retirement-related benefit plans – amortization of net (gains) losses	$ 3	$ (1)	$ 2
Other comprehensive income (loss)	$ 66	$ —	$ 66

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

(Dollars in millions)	Net Unrealized Gain (Losses) on Cash Flow Hedges	Foreign Currency Translation Adjustments*	Net Change Retirement-Related Benefit Plans	Accumulated Other Comprehensive Income (Loss)
April 1, 2026	$ (6)	$ (961)	$ (108)	$ (1,074)
Other comprehensive income (loss)	6	(2)	2	6
June 30, 2026	$ —	$ (962)	$ (106)	$ (1,069)
April 1, 2025	$ 1	$ (1,016)	$ (145)	$ (1,160)
Other comprehensive income (loss)	(7)	71	2	66
June 30, 2025	$ (6)	$ (945)	$ (143)	$ (1,094)

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

Notes to Consolidated Financial Statements (continued)

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, and in November 2025, the Company announced that the Board of Directors authorized an additional $400 million of repurchase capacity under this program (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 three months ended June 30, 2026 and 2025, the Company repurchased 5.0 million and 1.8 million shares of its common stock, respectively, at an aggregate cost of $64 million and $65 million under the Share Repurchase Program, respectively. As of June 30, 2026, approximately $238 million of capacity remained available under the Share Repurchase Program.

NOTE 13. RETIREMENT-RELATED BENEFITS

The following table presents the components of net periodic pension cost for the defined benefit pension plans recognized in the Consolidated Income Statement for the three months ended June 30, 2026 and 2025.

	Three Months Ended June 30,	
(Dollars in millions)	**2026**	**2025**
Service cost	$ 8	$ 8
Interest cost*	16	14
Expected return on plan assets*	(16)	(16)
Amortization of prior service costs (credits)*	2	—
Recognized actuarial losses (gains)*	1	3
Net periodic pension cost	$ 10	$ 9

* These components of net periodic pension cost are included in Other expense (income) in the Consolidated Income Statement.

The components of net periodic benefit cost for the nonpension postretirement benefit plans and multi-employer plans recognized in the Consolidated Income Statement were not material for any period presented.

NOTE 14. WORKFORCE REBALANCING CHARGES

During the three months ended June 30, 2026, the Company initiated actions to reduce our overall cost structure and increase our operating efficiency, which we expect to continue through the end of the fiscal year 2027 (the "Fiscal 2027 Actions"). We expect these actions will result in workforce rebalancing charges of approximately $200 million.

During the year ended March 31, 2026, the Company initiated actions to reduce our overall cost structure and increase our operating efficiency which continued through the end of the fiscal year 2026 (the "Fiscal 2026 Program"). The total charges incurred related to the Fiscal 2026 Program were $60 million.

Notes to Consolidated Financial Statements (continued)

The following table presents the segment breakout of charges incurred during the three months ended June 30, 2026 and 2025.

(Dollars in millions)	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Costs Incurred to Date Fiscal 2027 Actions	Costs Incurred to Date Fiscal 2026 Program
United States	$ 21	$ 6	$ 21	$ 20
Japan	9	4	9	5
Principal Markets	44	11	44	15
Strategic Markets	78	5	78	20
Total charges	$ 152	$ 25	$ 152	$ 60

The following table presents the classification of workforce rebalancing activities in the Consolidated Income Statement during the three months ended June 30, 2026 and 2025.

(Dollars in millions)	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Costs Incurred to Date Fiscal 2027 Actions	Costs Incurred to Date Fiscal 2026 Program
Workforce rebalancing charges	$ 152	$ 25	$ 152	$ 60

The following table presents the components of and changes in our workforce rebalancing liabilities during the three months ended June 30, 2026.

(Dollars in millions)	Workforce Fiscal 2027 Actions	Workforce Fiscal 2026 Program*
Balance at March 31, 2026	$ —	$ 4
Charges	152	—
Cash payments	(18)	(1)
Non-cash adjustments	(1)	—
Balance at June 30, 2026	$ 133	$ 3

* The Fiscal 2026 Program balance excludes workforce rebalancing liabilities inherited from our former Parent of $10 million as of March 31, 2026. Current-year movement excludes cash payments of $1 million and ending balance of $9 million related to actions initiated by and inherited from our former Parent. Workforce rebalancing liabilities are recorded within other liabilities in the Consolidated Balance Sheet.

Item 2.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE THREE MONTHS ENDED JUNE 30, 2026

Overview

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.

The Company is organized, managed and classified into four reportable segments by geography: United States, Japan, Principal Markets and Strategic Markets. For additional information on these segments, refer to Note 4 – Segments to our consolidated financial statements included elsewhere in this report.

Financial Performance Summary

(Dollars in millions)	Three Months Ended June 30, 2026	2025
Revenue	$ 3,618	$ 3,743
Revenue growth (GAAP)	(3) %	0 %
Revenue growth in constant currency*	(3) %	(3) %
Net income (loss)	$ (55)	$ 56
Adjusted EBITDA*	$ 512	$ 647

* 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" below.

(Dollars in millions)	June 30, 2026	March 31, 2026
Assets	$ 12,026	$ 12,551
Liabilities	10,859	11,259
Equity	1,167	1,293

For the three months ended June 30, 2026, we reported $3.6 billion in revenue, a decrease of 3 percent compared to the prior-year period. United States revenue increased 5 percent; Japan revenue decreased 8 percent, and increased 2 percent in constant currency; Principal Markets revenue decreased 7 percent; and Strategic Markets revenue decreased 3 percent, in each case compared to the three months ended June 30, 2025. During the period, growth in Kyndryl Consult and hyperscaler-related revenues were partially offset by lengthening sales cycles and evolving content from the Company's former parent in the Company's customer engagements. The net loss was $55 million in the three months ended June 30, 2026 compared to net income of $56 million in the three months ended June 30, 2025, driven by a $127 million increase in workforce rebalancing charges, a $38 million increase in impairment expense driven by the sale of a facility in the United States, and a $22 million increase in selling, general and administrative expenses driven by increased expenses to support future growth, partially offset by a lower provision for income taxes of $50 million and a $40 million gain from the sale of a wholly-owned digital solutions subsidiary in the Principal Markets segment (classified as a transaction-related benefit) in the current period.

Macro Dynamics

Global markets have continued to experience volatility in 2026, amid ongoing trade tensions and heightened macroeconomic uncertainties, driven by geopolitical developments and conflicts, concerns over changes in global trade policies and the imposition of import tariffs by the United States, reactions from other nations and proposed U.S.

Management Discussion (continued)

government spending reductions. Increased economic uncertainty has impacted and may continue to impact the level and composition of global macroeconomic activity.

Recent Developments

The Company continues to cooperate with the SEC Division of Enforcement's investigation relating to the Company's cash management practices, related disclosures, the efficacy of the Company's internal control over financial reporting, and certain other matters. The matter is ongoing and the Company cannot currently predict its final outcome. See Note 11 – Commitments and Contingencies in the consolidated financial statements included elsewhere in this report for further information about this and other contingency matters.

In addition, as previously disclosed, the Company identified material weaknesses in internal control over financial reporting. For more information, see "Controls and Procedures" in Part I, Item 4 in this report.

Acquisitions and Divestitures Update

For information concerning our recent acquisitions and divestitures activity, see Note 8 – Acquisitions and Divestitures in the consolidated financial statements included elsewhere in this report.

Segment Results

The following table presents our reportable segments' revenue and adjusted EBITDA for the three months ended June 30, 2026 and 2025. Segment revenue and revenue growth in constant currency exclude any transactions between the segments.

(Dollars in millions)	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Year-over-Year Change 2026 vs. 2025
Revenue			
United States	$ 954	$ 911	5 %
Japan	534	578	(8)%
Principal Markets	1,262	1,356	(7)%
Strategic Markets	868	898	(3)%
Total revenue	$ 3,618	$ 3,743	(3)%
Revenue growth in constant currency[(1)]	(3)%	(3)%	
Adjusted EBITDA[(1)]			
United States	$ 220	$ 196	12 %
Japan	109	115	(5)%
Principal Markets	151	197	(24)%
Strategic Markets	62	163	(62)%
Corporate and other[(2)]	(30)	(26)	NM
Total adjusted EBITDA[(1)]	$ 512	$ 647	(21)%

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.

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.

Management Discussion (continued)

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, 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 these measures for comparative purposes.

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

	Three Months Ended June 30,	
(Dollars in millions)	**2026**	**2025**
Net income (loss)	$ (55)	$ 56
Provision for income taxes	(14)	36
Interest expense	34	19
Depreciation of property, equipment and capitalized software	183	191
Amortization expense	338	315
Transaction-related costs (benefits)	(38)	—
Stock-based compensation expense	21	24
Impairment expense	38	—
Other adjustments*	5	5
Adjusted EBITDA (non-GAAP)	$ 512	$ 647

* 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.

United States

	Three Months Ended June 30,	
(Dollars in millions)	**2026**	**2025**
Revenue	$ 954	$ 911
Revenue year-over-year change	5 %	(8) %
Adjusted EBITDA	$ 220	$ 196
Adjusted EBITDA year-over-year change	12 %	

For the three months ended June 30, 2026, United States revenue of $954 million increased 5 percent compared to the prior-year quarter, driven by higher revenue from recent signings. Adjusted EBITDA increased $24 million from the prior-year quarter, driven by the higher revenue from recent signings and progress on our key initiatives to drive operating efficiencies, partially offset by a $15 million increase in workforce rebalancing charges.

Management Discussion (continued)

Japan

(Dollars in millions)	Three Months Ended June 30, 2026	2025
Revenue	$ 534	$ 578
Revenue year-over-year change	(8) %	2 %
Revenue growth in constant currency	2 %	(6) %
Adjusted EBITDA	$ 109	$ 115
Adjusted EBITDA year-over-year change	(5) %	

For the three months ended June 30, 2026, Japan revenue of $534 million decreased 8 percent and included a 10 point impact from currency. Revenue growth in constant currency of 2 percent was driven by higher revenue from recent signings. Adjusted EBITDA decreased $6 million from the prior-year quarter, driven by a $5 million increase in workforce rebalancing charges.

Principal Markets

(Dollars in millions)	Three Months Ended June 30, 2026	2025
Revenue	$ 1,262	$ 1,356
Revenue year-over-year change	(7) %	3 %
Revenue growth in constant currency	(8) %	(1) %
Adjusted EBITDA	$ 151	$ 197
Adjusted EBITDA year-over-year change	(24) %	

For the three months ended June 30, 2026, Principal Markets revenue of $1.3 billion decreased 7 percent, and decreased 8 percent in constant currency, compared to the prior-year quarter, primarily driven by actions the Company has taken to reduce certain low-margin components of its customer relationships entered into before the Spin-off. Adjusted EBITDA decreased $46 million from the prior-year quarter, driven by a $33 million increase in workforce rebalancing charges and lower revenue.

Strategic Markets

(Dollars in millions)	Three Months Ended June 30, 2026	2025
Revenue	$ 868	$ 898
Revenue year-over-year change	(3) %	3 %
Revenue growth in constant currency	(8) %	3 %
Adjusted EBITDA	$ 62	$ 163
Adjusted EBITDA year-over-year change	(62) %	

For the three months ended June 30, 2026, Strategic Markets revenue of $868 million decreased 3 percent and included a 5 point impact from currency. Revenue declined 8 percent in constant currency, compared to the prior-year quarter, primarily driven by actions the Company has taken to reduce certain low-margin components of its customer relationships entered into before the Spin-off. Adjusted EBITDA decreased $101 million from the prior-year quarter, driven by a $73 million increase in workforce rebalancing charges and lower revenue.

Corporate and Other

Corporate and other had an adjusted EBITDA loss of $30 million in the three months ended June 30, 2026, compared to a loss of $26 million in the three months ended June 30, 2025.

Management Discussion (continued)

Costs and Expenses

	Three Months Ended June 30,		Percent of Revenue		Change
(Dollars in millions)	2026	2025	2026	2025	2026 vs. 2025
Revenue	$ 3,618	$ 3,743	100.0 %	100.0 %	(3)%
Cost of services	2,842	2,947	78.6 %	78.7 %	(4)%
Selling, general and administrative expenses	668	646	18.5 %	17.3 %	3 %
Workforce rebalancing charges	152	25	4.2 %	0.7 %	498 %
Transaction-related costs (benefits)	(38)	—	(1.1)%	0.0 %	NM
Impairment expense	38	—	1.0 %	0.0 %	NM
Interest expense	34	19	0.9 %	0.5 %	75 %
Other expense (income)	(10)	13	(0.3)%	0.3 %	NM
Income (loss) before income taxes	$ (69)	$ 92			

NM – not meaningful

Cost of services was 78.6% of revenue in the three months ended June 30, 2026, compared to 78.7% in the three months ended June 30, 2025. Selling, general and administrative expenses were 18.5% of revenue in the three months ended June 30, 2026 compared to 17.3% in the prior-year quarter, driven by increased expenses to support future growth. Workforce rebalancing charges were 4.2% of revenue in the three months ended June 30, 2026 compared to 0.7% of revenue in the prior-year quarter. Transaction-related costs (benefits) were (1.1)% of revenue in the three months ended June 30, 2026 due to a $40 million gain from the sale of a wholly-owned digital solutions subsidiary in the Principal Markets segment. Impairment expense was 1.0% of revenue in the three months ended June 30, 2026 driven by the sale of a facility in the United States. Interest expense was 0.9% of revenue in the three months ended June 30, 2026 compared to 0.5% in the prior-year quarter, driven by an increase in debt due to cash borrowed under a revolving credit agreement. Other expense (income) was (0.3)% of revenue in the three months ended June 30, 2026, which was driven by net exchange gains, compared to 0.3% of revenue in the three months ended June 30, 2025, which was driven by net exchange losses.

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 Charges

Fiscal 2027 Actions

During the three months ended June 30, 2026, management initiated actions to reduce the Company's overall cost structure and enhance operating efficiency. As a result of these actions, the Company recorded workforce rebalancing charges of $152 million.

Total cash outlays for this program are expected to be approximately $200 million, of which approximately $18 million has been paid through June 30, 2026, and the remainder is expected to be paid thereafter. Management expects that these workforce rebalancing activities will reduce annual payroll and related expenses by approximately $400 to $500 million. There can be no guarantee that we will achieve our expected savings.

Management Discussion (continued)

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 14 – Workforce Rebalancing Charges in the accompanying Consolidated Financial Statements.

Fiscal 2026 Program

During the year ended March 31, 2026, management initiated actions to reduce the Company's overall cost structure and enhance operating efficiency. As a result of these actions, the Company recorded workforce rebalancing charges of $60 million for the year ended March 31, 2026.

Total cash outlays for this program are expected to be approximately $60 million, of which approximately $57 million has been paid through June 30, 2026, and the remainder is expected to be paid thereafter. Management expects that these workforce rebalancing activities will reduce annual payroll costs and related expenses by more than $100 million in fiscal year 2027. There can be no guarantee that we will achieve our expected cost savings.

Income Taxes

The provision for income taxes for the three months ended June 30, 2026 was $14 million of benefit, compared to $36 million of expense for the three months ended June 30, 2025. The income tax benefit in the current-year period was primarily driven by a pretax loss, resulting in a tax benefit in jurisdictions where such losses are expected to be realized. The income tax expense in the prior-year period was primarily attributable to taxes on foreign operations and valuation allowances recorded in certain jurisdictions against deferred tax assets that were not more likely than not to 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, the reversal of existing temporary differences, and the feasibility of ongoing tax planning strategies and actions. Estimates of future taxable income and loss could change, perhaps materially, which may require us to revise our assessment of the recoverability of the deferred tax asset at that time. Recent improvements in profitability and forecasts of future taxable income have increased the positive evidence considered in certain jurisdictions as part of this assessment. Based on our evaluation of current results and anticipated future earnings, there is a reasonable possibility that we will conclude within the next twelve months that a portion of the valuation allowances recorded in certain jurisdictions is no longer necessary. However, our judgment regarding future taxable income and the timing and amount of any valuation allowance release is subject to change based on future business performance, market conditions and other factors.

The release of any valuation allowance would result in the recognition of deferred tax assets and could result in a material income tax benefit in the period the release is recorded.

Financial Position Dynamics

Total assets of $12.0 billion decreased by $526 million (and decreased by $492 million adjusted for currency) from March 31, 2026, primarily driven by a decrease in cash and cash equivalents of $519 million mainly due to cash used in operating activities of $310 million, cash used in investing activities of $49 million, and cash used in financing activities of $152 million; a decrease in deferred costs of $78 million; and a decrease in accounts receivable of $53 million, partially offset by an increase of $128 million in prepaid expenses and other current assets mainly due to prepayment for software subscriptions.

Total liabilities of $10.9 billion decreased by $400 million (and decreased by $387 million adjusted for currency) from March 31, 2026, primarily driven by a decrease in accounts payable of $294 million due to annual and multi-year software subscription and renewal payments and a decrease in accrued compensation and benefits of $48 million due to payments of annual incentive compensation.

Management Discussion (continued)

Total equity of $1.2 billion decreased by $126 million from March 31, 2026, principally due to our net loss of $55 million in the period and $64 million of share repurchases under our Share Repurchase Program.

Liquidity and Capital Resources

We believe that our existing cash and cash equivalents, access to the capital markets and our revolving credit facility will be sufficient to meet our anticipated operating cash needs, and to fund our planned capital investments, debt maturities and stock repurchases for at least the next twelve months. As of June 30, 2026, we had cash and cash equivalents of approximately $2.1 billion and approximately $2.2 billion in available borrowing capacity under our revolving credit facility.

Our principal ongoing cash requirements include operating expenses, income taxes, debt service payments and capital expenditures, and may include discretionary debt repayments, stock repurchases and business acquisitions. Our primary sources of liquidity include available cash and cash equivalents, cash from operations and proceeds obtained from long-term debt. Additionally, we have access to incremental liquidity, if needed, through borrowings under our revolving credit facility to manage our working capital and investment needs, as well as access to the capital markets.

As part of our ongoing cash and commercial management strategy with customers and suppliers and as previously disclosed, our standard practice since the time of our Spin-off from IBM is to actively manage our working capital, including accounts receivables and accounts payables. This includes optimizing payment terms and conditions, accelerating certain cash receipts (including through the sale of accounts receivables to third-party financial institutions as described under “Transfers of Financial Assets” below and in Note 7 to the consolidated financial statements) and delaying certain cash payments (including deferring vendor payments quarter to quarter, in certain cases beyond vendor payment terms), and undertaking other discretionary cash and working capital management initiatives. The magnitude of these practices (including deferrals) varies from period to period. The effects of these practices, including any impacts on our cash flows, have been and are reflected in our accounts payable, accounts receivable and operating cash flows, which are accounted for in accordance with U.S. GAAP, the material drivers of which are quantified below under “Cash Flow.” Our working capital and cash flows have also reflected the impact of accrued contract costs in certain periods due to the timing of vendor billings. We may, from time to time, revise or adapt our cash and working capital management practices as we deem appropriate.

Furthermore, our cash provided from operating activities is somewhat impacted by seasonality. Working capital needs are generally highest in our first quarter due to multi-year renewals and annual and biannual payments, such as for prepaid software subscriptions and incentive payments. On a continuing basis, we consider various transactions to increase stockholder value and enhance our business results, including acquisitions and divestitures, stock repurchases, and productivity and other efficiency initiatives. These transactions may result in future cash proceeds or payments.

Cash Flow

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

	Three Months Ended June 30,	
(Dollars in millions)	**2026**	**2025**
Net cash provided by (used in):		
Operating activities	$ (310)	$ (124)
Investing activities	(49)	(74)
Financing activities	(152)	(170)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(4)	46
Net change in cash, cash equivalents and restricted cash	$ (515)	$ (323)

Net cash used in operating activities was $310 million in the three months ended June 30, 2026, which primarily reflects payments for multi-year renewals and annual prepaid software subscriptions and incentive compensation payments. This compares to $124 million in the prior-year period. The year-over-year increase in cash

Management Discussion (continued)

used in operating activities is mainly due to the timing of working capital, including higher software payments of $166 million, primarily for multi-year renewals and annual prepaid software subscriptions, and the timing of receivables resulting in lower billings and collections of $96 million, partially offset by lower annual incentive compensation payments in the current year of $162 million.

Net cash used in investing activities was $49 million in the three months ended June 30, 2026, compared to $74 million in the prior-year period, primarily due to $31 million net cash proceeds from the sale of a wholly-owned digital solutions subsidiary in the Principal Markets segment.

Net cash used in financing activities was $152 million in the three months ended June 30, 2026, compared to $170 million in the prior-year period, mainly due to lower shares repurchased to settle tax withholdings related to the vesting of stock-based awards of $54 million partially offset by higher debt repayments of $16 million.

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.

We have outstanding $700 million of fixed-rate notes that mature in October 2026. We intend to refinance these notes at a future date, subject to market conditions.

Revolving Credit Agreement

In October 2021, we entered into a $3.15 billion multi-currency revolving credit agreement (the “Revolving Credit Agreement”), which was originally set to expire 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.

In February 2026, the Company borrowed $1 billion under the Revolving Credit Agreement, currently bearing an interest rate of 5.09%. Proceeds are intended to be used for working capital and other general corporate purposes, which may include repayment of indebtedness and acquisitions. The borrowing matures in August 2026. In the second quarter, we have extended it for an additional three months to mature in November 2026. As of June 30, 2026, approximately $2.2 billion of additional capacity remained available.

Management Discussion (continued)

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 accounts 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 accounts 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. At this time, the agreement will expire in April 2027. We have also entered into additional agreements with a separate third-party financial institution that enable us to sell receivables. These agreements were first executed in June 2022 and subsequently amended to renew automatically every 18 months, unless either party elects not to extend. These facilities are committed for up to approximately $210 million as of June 30, 2026. In aggregate, we have committed facilities of up to approximately $810 million as of June 30, 2026.

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 $0.6 billion and $0.6 billion for the three months ended June 30, 2026 and June 30, 2025, respectively. The fees associated with the transfers of receivables were $4 million and $5 million for the three months ended June 30, 2026 and June 30, 2025, respectively.

Of the receivables sold and derecognized from the Consolidated Balance Sheet, $0.8 billion and $0.9 billion remained uncollected from customers at June 30, 2026 and March 31, 2026, respectively. Overall, the declining balances of sold receivables have been primarily driven by factoring of receivables from pre-spin customer contracts that gave certain customers extended payment terms. As we have transitioned to new signings, including with existing customers, fewer customers have used extended payment terms, which has caused these balances in the aggregate to continue to decline.

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 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 June 30, 2026 and March 31, 2026 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, and in November 2025, the Company announced that the Board of Directors authorized an additional $400 million of repurchase capacity under this 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

Management Discussion (continued)

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 three months ended June 30, 2026 and 2025, the Company repurchased 5.0 million and 1.8 million shares of its common stock, respectively, at an aggregate cost of $64 million and $65 million under the Share Repurchase Program, respectively. As of June 30, 2026, approximately $238 million of capacity remained available under the Share Repurchase Program.

Other Information

Signings

The following table presents the Company's signings for the three months ended June 30, 2026 and 2025.

	Three Months Ended June 30,	
(Dollars in billions)	**2026**	**2025**
Total signings	$ 3.9	$ 3.2

Signings increased by $696 million in the three months ended June 30, 2026, or 22%, compared to the prior-year quarter, with year-over-year increases in the United States, Principal Markets and Strategic Markets segments. Management uses signings to monitor the performance of the business, as a measure of customer engagement and our ability to drive growth. 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. Signings should not be considered a comprehensive measure of future revenue, and 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. There have been no changes to our critical accounting policies and estimates as described in our Annual Report on Form 10-K for the fiscal year ended March 31, 2026 ("Form 10-K").

Management Discussion (continued)

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, business trends, the outcome of legal and regulatory claims, suits, investigations and other matters, the remediation of material weaknesses 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. The Company’s actual business, financial condition, results of operations, liquidity, cash flows, internal controls, reputation, stock price and key relationships 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 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 and impact on the Company and the Company’s stock price resulting from negative publicity;
- inability to accurately estimate the cost of services and the timeline for completion of contracts;
- service delivery issues;
- the Company’s ability to successfully complete and manage acquisitions and dispositions, including integration challenges, failure to achieve objectives, the assumption of liabilities and higher debt levels;
- the Company’s ability to refinance maturing debt on favorable terms in a timely manner, or at all, and risks related to the Company’s access to capital and credit markets;
- the impact of 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 the Company’s goodwill or long-lived assets;
- risks relating to cybersecurity, data governance and privacy;
- risks relating to non-compliance with legal and regulatory requirements and changes in laws, regulations and policies in the U.S. and countries where the Company and its customers do business, including with respect to tariffs, taxes and other controls on imports or exports;
- adverse effects from tax matters and environmental matters;
- risks related to legal and regulatory claims, suits, investigations, proceedings and other matters, and consequences related thereto;
- the Company’s ability to remediate, and the timing and costs related to the remediation of, material weaknesses in internal control over financial reporting, as well as the Company’s ability to maintain effective controls in the future;
- potential indemnification obligations;
- impact of changes or developments in credit ratings, 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.

Management Discussion (continued)

Additional risks and uncertainties include, among others, those risks and uncertainties described in the “Risk Factors” section of our Form 10-K for the fiscal year ended March 31, 2026, as such factors may be updated from time to time in the Company’s subsequent filings with the SEC. In addition, other risks and uncertainties that are not currently known to the Company or that the Company currently deems immaterial may also impact actual results and outcomes. 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.

Available Information

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.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

For our disclosures about market risk, see the information under the heading “Quantitative and Qualitative Disclosures About Market Risk” in the Form 10-K. There have been no material changes to the Company’s disclosure about market risk in the Form 10-K.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

The Company’s management evaluated, with the participation of the Chief Executive Officer and the Interim 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 June 30, 2026, the end of the period covered by this report. Based on that evaluation, the Chief Executive Officer and the Interim Chief Financial Officer have concluded that the Company’s disclosure controls and procedures were not effective as of June 30, 2026 due to the material weaknesses in internal control over financial reporting described below.

These deficiencies did not result in a misstatement to the interim or annual consolidated financial statements previously filed or included in this Form 10-Q. The Company’s management has concluded that the consolidated financial statements for the periods covered by and included in this Form 10-Q fairly present, in all material respects, the Company’s financial position, results of operations and cash flows in conformity with GAAP.

Material Weaknesses in Internal Control over Financial Reporting

As defined in Rule 12b-2 of the Exchange Act, a material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of a company’s annual or interim financial statements will not be prevented or detected on a timely basis. As previously disclosed in the amended annual report on Form 10-K/A for the period ended March 31, 2025 (filed on February 17, 2026), management identified the following material weaknesses in the Company’s internal control over financial reporting:

- The Company’s senior finance executives failed to set an appropriate tone at the top based on the principles associated with the control environment component of the Committee of Sponsoring Organizations of the Treadway Commission’s *Internal Control – Integrated Framework* (2013) (the “COSO framework”). Specifically, there was a lack of transparency with the Company’s Chief Executive Officer, the Audit Committee of the Board and the Board, such that disclosure processes, including with respect to cash management practices regarding deferring vendor payments quarter to quarter, were impacted. Additionally, the Company lacked an appropriate complement of finance personnel with sufficient understanding of their responsibilities as Disclosure Committee members and with adequate competency in their responsibilities regarding disclosure controls.
- The Company did not design and maintain effective controls related to the information and communication component of the COSO framework to ensure appropriate communication pertaining to the disclosure process between certain functions within the Company, including the Company’s Disclosure Committee and the Chief Executive Officer, as well as with the Audit Committee and the Board.
- The aforementioned material weaknesses contributed to an additional material weakness. The Company did not design and maintain effective controls regarding the internal investigation, escalation and documentation of complaints made through the Company’s reporting hotline and certain other available reporting channels, including with respect to appropriate escalation of certain complaints to the Audit Committee.

These material weaknesses did not result in a misstatement of the Company’s previously issued historical consolidated financial statements. However, these material weaknesses could result in a misstatement that would result in a material misstatement to the Company’s annual or interim consolidated financial statements that would not be prevented or detected.

Remediation Plan

On February 5, 2026, the Company appointed an Interim Chief Financial Officer, Interim General Counsel and Interim Corporate Controller. In addition, the Company has appointed Andrew Bonzani as General Counsel and Secretary effective as of July 6, 2026, and Ellen Johnson as Chief Financial Officer effective as of August 6, 2026. As previously described in Part II, Item 9A of the Company's 2026 Form 10-K, with oversight from the Audit Committee of our Board, management began implementing a comprehensive remediation plan, including continued focus on strengthening the Company's control environment and disclosure processes. To date, the Company has made a number of enhancements to its internal control over financial reporting, which notably include:

- enhanced disclosure controls and procedures related to communication and information sharing, by developing a more detailed reporting and internal review processes, evaluating opportunities for enhancement in our periodic disclosure processes and formalizing forums for additional discussions to facilitate enhanced information sharing across several functions and with senior leadership, as well as with the Chief Executive Officer, the Audit Committee and the Board, including with respect to the Company's cash management practices;
- enhanced existing Disclosure Committee responsibilities and processes, by updating the Disclosure Committee Charter to reflect enhancements to the committee composition and roles, facilitating additional discussions, conducting incremental training on the purpose and responsibilities of the Disclosure Committee and related subcertifications, enhancing the disclosure and subcertification process; and
- implemented enhancements to the Company's reporting hotline process, including related to the evaluation and escalation to the Company's Audit Committee of certain reports made through the hotline and certain other available reporting channels.

In addition, the Company is in the process of implementing the following enhancements to its internal control over financial reporting:

- providing updated training on disclosure controls and procedures and internal control over financial reporting and requirements under the Sarbanes-Oxley Act of 2002, including training courses on applicable federal securities laws for members of management;
- enhancing the Company's controls, policies, procedures and training related to timely and accurate communication and information sharing, including enhancing key controls concerning information communicated regarding the application of the Company's cash management practices; and
- enhancing the Company's controls, policies, procedures and training related to the Company's reporting hotline.

The Company has devoted substantial resources to, and continues to work diligently on, executing on its remediation plan, and expects to remediate the material weaknesses as of March 31, 2027, on which it will report in its fiscal year 2027 annual report on Form 10-K. Management is actively engaged and believes that the remediation plan will address the deficiencies described above; however, deficiencies will not be considered fully remediated until the applicable controls operate for a sufficient period of time and management has concluded, through testing, that these controls are operating effectively. Management will continue to monitor the design and effectiveness of these and other processes, procedures and controls and make further changes as appropriate. The remediation is subject to ongoing management review, as well as oversight by the Audit Committee of our Board.

Changes in Internal Control over Financial Reporting

Other than the ongoing remediation of the deficiencies described above, there has been no change 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 Company's last fiscal quarter ended June 30, 2026 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

Part II — Other Information

Item 1. Legal Proceedings

Refer to Note 11 – Commitments and Contingencies, in the notes to consolidated financial statements in this report.

Item 1A. Risk Factors

For a discussion of our potential risks and uncertainties, see the information under the heading "Risk Factors" in our Form 10-K for the year ended March 31, 2026. There have been no material changes with respect to the risk factors disclosed in the Form 10-K.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

A summary of our common stock repurchases during the three months ended June 30, 2026 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)
April 1 - 30	1,555,835	$ 13.95	1,555,835	$ 280
May 1 - 31	1,635,484	12.66	1,635,484	259
June 1 - 30	1,815,250	11.93	1,815,250	238
Total	5,006,569		5,006,569	

(a) All shares were repurchased in open market transactions pursuant to the Share Repurchase Program authorized by our Board of Directors, of which $300 million was publicly announced on November 21, 2024, and an additional $400 million was publicly announced on November 4, 2025. 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 Share Repurchase Program in "Part I, Item 2—Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources— Share Repurchase Program."

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

During the three months ended June 30, 2026, 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.

As previously disclosed on a current report on Form 8-K filed on July 6, 2026, Harsh Chugh, the Company's current Interim Chief Financial Officer, will be succeeded by Ellen Johnson as the Company's Chief Financial Officer, effective as of August 6, 2026, the day after the Company files this Form 10-Q. Thereafter, Mr. Chugh will remain at the Company and assist with the transition. On August 4, 2026, Mr. Chugh entered into an agreement in connection with his continued employment as an Executive Advisor. The agreement is effective as of August 6, 2026 and is anticipated to continue until February 5, 2027. While serving as an Executive Advisor, Mr. Chugh will continue to receive his current annual base salary and remains eligible to vest in his outstanding equity awards in accordance with the terms of the Company's long-term incentive program. Any remaining unvested equity awards as of the termination date of his employment will be forfeited. The foregoing summary of Mr. Chugh's agreement governing his role as an Executive Advisor does not purport to be complete and is qualified in its entirety by reference to the full text of such agreement, which is filed as Exhibit 10.6 to this Form 10-Q.

Item 6. Exhibits

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.
10.1	Sixth Amendment to Amended and Restated Receivable Purchase Agreement, dated May 1, 2026, by and among Banco Santander S.A., Kyndryl, Inc. and the registrant was filed as Exhibit 10.8 to the registrant's Annual Report on Form 10-K filed on May 29, 2026, and is hereby incorporated by reference.
10.2	Form of Amended and Restated Kyndryl 2021 Long-Term Performance Plan (LTPP) equity award agreement for performance share units (filed herewith)
10.3	Forms of LTPP equity award agreement for restricted stock units (filed herewith)
10.4	Offer Letter between the registrant and Ellen Johnson, dated July 2, 2026 (filed herewith)
10.5	Offer Letter between the registrant and Andrew Bonzani, dated July 1, 2026 (filed herewith)
10.6	Agreement between Harsh Chugh and Kyndryl, Inc., dated August 4, 2026 (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)
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

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.

SIGNATURES

Pursuant to the requirements 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: August 5, 2026

By: /s/ Harsh Chugh

Harsh Chugh
Interim Chief Financial Officer
(Principal Financial Officer and Authorized Signatory)

Kyndryl Holdings, Inc.

Performance Share Units Equity Award Agreement
Confidential

Plan **Kyndryl Amended and Restated Kyndryl 2021 Long-Term Performance Plan (the “Plan”)**

Award Type **Performance Share Units; Cash-Settled Performance Share Units (the “PSUs”)**

Purpose The purpose of this Award is to reward and retain your services. 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 (this “Agreement”) have the meanings given to them in the Plan.

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

Award Agreement This Agreement, including the Terms and Conditions of Your Award attached hereto that form part of this Agreement, together with the Plan, under which this award of PSUs (this “Award”) is granted and which is incorporated herein by reference, constitute the entire agreement between you and Kyndryl Holdings, Inc. (“Kyndryl”) and its subsidiaries (including subsidiaries and partnerships and other business ventures in which Kyndryl has a controlling equity interest) (together, the “Company”) with respect to this Award. [You acknowledge and agree the Amended Plan is available on Fidelity.]

Grant

Date of Grant	Performance Goal	Performance Goal Weighting*	# PSUs Awarded (at Target)	Performance Period	Date of Payout
June 1, 2026	Adjusted Operating Cash Flow	100%		April 1, 2026 - March 31, 2029	On or around June 1, 2029

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

Vesting Subject to the level of achievement of each applicable Performance Goal during its applicable Performance Period as set forth above and described in further detail on Exhibit A, you will vest in any earned PSUs on the Date of Payout with respect to such PSUs subject to your continued employment with the Company through the applicable Date of Payout and terms and conditions of this Agreement, as awarded above based on Kyndryl’s performance in achieving the performance goals approved by the Committee and described in Exhibit A during the performance period beginning on April 1, 2026 and ending on March 31, 2029 for Adjusted Operating Cash Flow (the “Performance Period”).

Payout of Awards Subject to the terms and conditions of the Plan and this Agreement and applicable law, promptly following each “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 the earned and vested PSUs, with respect to such Date of Payout or (2) make a cash payment to you equal to the Fair Market Value on the Date of Payout *multiplied* by the number of your earned and vested PSUs with respect to such Date of Payout in each case net of applicable tax withholding. Payment in shares is not applicable in countries in which the Company has determined that the Awards will be paid in cash, in which case, payment will only be made in cash as described in the immediately preceding sentence.

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

Kyndryl Holdings, Inc.

Performance Share Units Equity Award Agreement

Terms and Conditions of Your Award

Pursuant to the Plan, Kyndryl has granted you this Award as described in this Agreement on the terms and conditions set forth herein (including the cover page hereto). This Award is also subject to the terms and conditions of the Plan.

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**

Capitalized terms not specifically defined in this Agreement have the meanings given to them in the Plan (as incorporated herein by reference solely for purposes of this Agreement).

2. **NATURE OF GRANT**

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

a. the 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 Plan;

c. the grant of this 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 or different terms), or benefits in lieu of Awards, even if an Award has been granted in the past;

d. 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;

e. the grant and your participation in the 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;

f. 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;

g. the PSUs and any shares (or cash) delivered in respect of the PSUs are not intended to replace any pension rights or compensation, if applicable;

h. the PSUs and any shares (or cash) delivered in respect of 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;

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

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

k. unless otherwise provided herein, in the Plan or by the Company in its discretion, the PSUs and the benefits evidenced by this 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 Common Stock; and

l. 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 this 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 [that you were directly or indirectly involved with, or exposed to confidential information about, as part of your job responsibilities during the last 12-month of your employment with the Company] (x) who is an employee of the Company at the time of any conduct by you referenced in the preceding sentence, or (y) who was an employee of the Company at any time in the 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-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 that you were directly or indirectly involved with, or exposed to confidential information about, as part of your job responsibilities during the last 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 this 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 Agreement.

4. CANCELLATION AND RESCISSION OF AWARDS/CLAWBACK

a. You understand that the Company may cancel, modify, rescind, suspend, clawback, recoup, withhold or otherwise limit or restrict this Award in accordance with the terms of the Plan, and all applicable laws, including, but not limited to Section 10D of the Exchange Act and any rules promulgated thereunder and any other regulatory regimes. Further, all awards granted under the Plan, including this Award, are subject to all clawback policies 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 any applicable law. You acknowledge and agree to abide by the terms of the Company's Financial Statement Clawback Policy and the Company's Clawback Policy, as each in effect from time to time, and all other clawback policies of the Company, 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 Plan or any other plan of the Company or any of its affiliates.

b. All determinations regarding enforcement, waiver or modification of the cancellation, rescission, clawback, recoupment and other provisions of the Plan and this Agreement (including the provisions relating to Termination of Employment, death and Disability) shall be made in the Committee's sole discretion. Determinations made under this Agreement and the 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 provisions of the Plan and this Agreement are reasonable and agree not to challenge the reasonableness of such provisions, even where forfeiture of this 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, clawback or recoupment of this Award and all other awards granted to you under the Plan; provided, however, that cancellation, rescission, clawback or recoupment due to Detrimental Activity solely as it relates to rendering competitive services after your employment relationship shall only be applicable to services rendered within one year following the termination of your employment.

d. The cancellation, rescission, clawback and recoupment provisions of the Plan may be triggered by your acceptance of an offer to Engage in or Associate with any business that 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 Agreement you have entered into a Noncompetition Agreement with the Company or an affiliate (including, for this purpose, with IBM Corporation or an IBM affiliate prior to the Spin-Off), as applicable; or (ii) this Award is a Retention Restricted Stock Unit Award. For purposes of this Agreement, "Engage in or Associate" 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 stockholder 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.

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 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. Any dispute arising under or relating to the Plan and each Award Agreement shall be resolved by final and binding arbitration administered by JAMS in New York, New York pursuant to its applicable rules and governed by the Federal Arbitration Act (FAA). You consent to the jurisdiction of the state and federal courts located in New York County or Westchester County, New York for purposes of enforcing any such arbitration award and irrevocably waive any objection to the venue of any such proceeding, including any objection that such proceeding has been brought in an inconvenient forum.

If any court of competent jurisdiction finds any provision of this 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 Agreement shall continue in full force and effect.

If you or the Company brings an action to enforce this 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 and arbitration fees.

If the vendor engaged to administer the Plan changes, you consent to moving all of the Common Stock and Awards you have received under the Plan that is in an account with such vendor (including unvested and previously vested Common Stock and Awards), to the new vendor engaged to administer the 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 Agreement; you also consent to receiving information and materials in connection with this Award or any subsequent awards under the Plan or any other Company plan, including without limitation any prospectuses and plan documents, by any means of electronic delivery available now or in the future (including without limitation by e-mail, by vendor Website access or by facsimile), such consent to remain in effect unless and until revoked in writing by you.

a. By participating in the 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 Plan and generally administering and managing the Plan, including keeping records of analysis of and reporting on participation levels and other information about the 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 Plan, for example, data about Common Stock offered or received, purchased or sold under the Plan from time to time and other appropriate financial and other data about you and your participation in the 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 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 Plan, under a duty of confidentiality to the Company;

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

In the event you experience a termination of employment (other than on the account of death or Disability), all the PSUs that are unvested as of the date of your termination of employment, and any relating rights thereto, under this 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) you may be eligible for continued PSU vesting upon your retirement from the Company. You must also meet the following retirement conditions: (i) you have attained age 55; (ii) you have completed 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); (iii) you have completed at least one year of active service with the Company measured from the PSU date of grant (as set forth in this Agreement) unless the [Committee][Board] approves an earlier separation; (iv) you have provided at least six months' written notice of your retirement to the Vice President of HR for your business unit (which period may be waived or shortened if acknowledged in writing by a person authorized by the Company for this purpose); (v) you do not voluntarily terminate employment prior to the retirement date agreed upon with the Company; (vi) your employment is not terminated for Cause; (vii) 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; and (viii) you comply with all restrictive covenants, including non-solicitation and non-competition, to which you are bound.

[If you voluntarily resign prior to June 2, 2028 the number of PSUs payable under this Award 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 resign on such earlier date as approved by the Board or 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 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 experience a termination of employment due to death or Disability, all the PSUs that are unvested as of the date of your termination of employment shall remain outstanding and eligible to vest on their originally scheduled Date of Payout, based on Company performance, as applicable, over the entire applicable Performance Period(s) as if you had not experienced a termination of employment. For purposes of this Agreement, "Disability" means that you are deemed by the Company to be disabled and eligible for benefits under the terms of the Kyndryl Long Term Disability Plan (or any successor plan or similar plan of the Company).

C. <u>Leave of Absence</u>

In the event you are on 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 Agreement. For the avoidance of doubt, if you return to active status, the PSUs that are unvested shall continue to vest according to the terms of this Award, and if you experience a termination of employment, the PSUs shall be subject to the terms of Sections 7(a) and (b).

D. <u>Dividend Equivalents</u>

PSUs do not provide for dividends.

E. <u>Prior IBM Service</u>

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][system of record]) counted as if it were service with the Company for purposes of determining years of service under this Award.

8. CHANGE IN CONTROL

In the event of a Change in Control, the PSUs shall be treated in accordance with Section 15 of the Plan, except as otherwise determined by the Committee.

9. COUNTRY JURISDICTION SPECIFIC TERMS AND CONDITIONS

A. **<u>Argentina</u>**

<u>English Language Consent</u>

You confirm that you have read and understood the terms and conditions of the Plan and this 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 Plan or this 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 this 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, 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, 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 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 of Section 3 for individuals with the home country of Denmark:

In consideration of this 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 this 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 Plan and this 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 the "Payout of Award" provision on the cover page of this Agreement:

Notwithstanding any discretion set forth in the Plan or this 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 months after the date of this Award, 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 month anniversary of the date of grant of this Award.

F. **Mexico**

Labor Law Acknowledgement and Policy Statement

By accepting this Award, 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 this Award and any acquisition of shares under the Plan does not constitute an employment relationship between you and the Company because you are participating in the Plan on a wholly commercial basis. Based on the foregoing, you expressly acknowledge that the Plan and the benefits that you may derive from participation in the 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 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 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 Plan or the benefits derived under the Plan, and you therefore grant a full and broad release to the Company, branches, representative offices, stockholders, directors, officers, employees, agents, or legal representatives with respect to any claim that may arise.

Securities

You acknowledge that this Award, this Agreement, the Plan and all other materials that you may receive regarding participation in the Plan do not constitute advertising or an offering of securities in Mexico. The shares acquired pursuant to the 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 Plan and this Agreement.

H. **Spain**

Labor Law Acknowledgment

This provision supplements the acknowledgements contained in Section 2 of this Agreement:

In accepting the grant of PSUs, you consent to participation in the Plan and acknowledge that you have received a copy of the Plan.

You understand that the Company has unilaterally, gratuitously and in its own discretion decided to grant awards under the 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 Agreement. Consequently, you understand that this Award is granted on the assumption and condition that any shares acquired upon settlement of this Award 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 this Award 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 this Award shall be null and void.

I. **United Kingdom**

Responsibility for Tax-Related Items

Without limitation to Section 12, 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 vendor of the Company with respect to the Plan or tax collection or any tax authority or any other relevant authority). You also hereby agree to indemnify and keep indemnified the Company against any Tax-Related Items that the Company is required to pay or withhold or have paid or will pay on your behalf to Fidelity (or any other vendor of the Company with respect to the Plan or tax collection or any 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 Exchange Act), the terms of the immediately foregoing provision will not apply.

J. **United States**

Trade Secrets

Nothing in the Plan, this Agreement or any prospectus 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 (x) file any document containing the trade secret under seal, and (y) 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 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.] [For the avoidance of doubt, unless otherwise required or prohibited by law, the cancellation, rescission, clawback and recoupment provisions of the Plan will apply if you engage in (1) any Detrimental Activity prior to your employment relationship ending with the Company or (2) any Detrimental Activity other than engaging in competitive activities after your employment relationship has ended with the Company.]

The cancellation, rescission, clawback and recoupment provisions of the Plan that apply if you engage in Detrimental Activity during your employment with the Company, constitute "non-competition restrictions" that may affect your ability to obtain future employment. The cancellation, rescission, clawback and recoupment provisions of the Plan that apply if you engage in Detrimental Activity during or after your employment with the Company, as well as the restrictions in Section 3 of this Agreement, constitute "non-solicitation restrictions." By accepting this Award, you acknowledge that this 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 Agreement, and that the non-solicitation restrictions referenced in this 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 Agreement for up to 14 days prior to signing it. If you reside in or work from an office in Massachusetts, this Agreement will take effect no sooner than 10 business days after if it is signed by both you and the Company.

Nothing in this Section 9 is intended to supersede or modify the New York choice-of-law provision in Section 5 of this 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 30 days prior to your execution of this Agreement.

10. PAYMENT OF AWARD

The payment terms of this Award are set forth on the cover page of this Agreement and are subject to the terms and conditions of the Plan and this Agreement and applicable law.

11. TRANSFERABILITY

You may not transfer or assign, pledge, pay to, exercise or otherwise encumber this Award 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 this Award is transferable or assignable other than by will or by the laws of descent and distribution.

Any shares of Common Stock issued or transferred pursuant to this Award, 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 stock ownership requirements, including, but not limited to, the Company's Stock Ownership Guidelines, if applicable. Such policies shall be binding upon your permitted legatees, legal representatives, successors and assignees.

12. NOTICES

Any notice to be given under this 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 hereinafter designate in writing to the other. Any such notice shall be deemed effective upon receipt thereof by the addressee.

13. 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 the Company determines 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 makes no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of this Award, including the grant of this Award, the vesting of this Award, the delivery or sale of any shares or cash acquired pursuant to this Award and the issuance of any dividends, if applicable.

b. To the extent that the grant or vesting of this Award, the delivery of shares or cash pursuant to this Award 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 cash payout of this Award or the sale of shares acquired upon settlement of this Award 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 PSUs that number of shares having a Fair Market Value equal to the amount of the withholding. 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 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.

14. PSUs SUBJECT TO THE PLAN

By entering into this Agreement, you agree and acknowledge that you have received and read a copy of the Amended Plan. This Award is subject to the Plan. In the event of a conflict between any term or condition contained herein and a term or provision of the Plan, the applicable terms and conditions of the Plan will govern and prevail.

15. AMENDMENTS

The rights and obligations under this 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 and in all other manners allowed by the Plan.

16. SIGNATURE IN COUNTERPARTS

To the extent that this 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.

17. ADMINISTRATION AND CONSENT

In order to manage compliance with the terms of this Agreement, shares delivered pursuant to this Agreement may, at the sole discretion of the Company, be registered in the name of the nominee for the holder of the shares 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 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 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 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 or regulations or to facilitate the operation and administration of this Award and the Plan. This includes the PSUs, any shares you acquire pursuant to this Award and your participation in the 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 Agreement, as in effect from time to time. As a holder of shares delivered pursuant to this 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 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.

18. 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 Agreement, the 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 you have received this Agreement, the Plan or any other document related to this Award 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.

19. SECTION 409A; DEFERRAL ELECTIONS

This Award is intended to be compliant with or exempt from Section 409A of the Code and shall be interpreted in such manner and, to the extent you are subject to income taxation by or in the United States, is subject in all respects to the Plan provisions with respect to Section 409A of the Code and the following:

a. All payments or settlements under this Award that are said to be made promptly following a date shall be made as soon as practicable following such date, but in all events no later than 2 ½ months following the year in which the applicable portion of this Award vests, and will equal the payment with respect to the vested portion of this Award.

b. 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 PSUs may not be made at the time contemplated by the terms of this Award or subject to any applicable deferral, as the case may be, without causing you to be subject to taxation under Section 409A of the Code, the Company may unilaterally amend this Agreement to cause the payments to be made at a time that would not cause you to be subject to taxation under Section 409A of the Code.

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 portion of this Award that is subject to Section 409A of the Code and with respect to which payment is linked to the date of your “separation from service” (as defined under Section 409A of the Code) shall not be made prior to the date which is six 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.

20. 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 cash acquired under the 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 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 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 Agreement, including the Terms and Conditions of Your Award set forth herein, together with the Plan, under which this Award is granted and which is incorporated herein by reference, constitute the entire agreement between you and the Company with respect to this Award and supersedes all prior oral and written agreement between you and the Company pertaining to such matters.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the Date of Grant set forth in this Agreement.

KYNDRYL HOLDINGS, INC.

By:

Mark Paulek
Chief Human Resources Officer

[IF NOT ELECTRONICALLY ACCEPTED]

PARTICIPANT

____
Signature

____
Print Name

____
Date

____
Employee ID

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 June 1, 2026, and ending on March 31, 2029. For purposes of determining Relative TSR, the Peer Group will consist of the constituents of the S&P 400 Mid-Cap Index as of June 1, 2026.

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 10.3

Kyndryl Holdings, Inc.

Restricted Stock Units Equity Award Agreement

Plan	**Amended and Restated Kyndryl 2021 Long-Term Performance Plan (the "Plan")**
Award Type	**[Restricted Stock Units, Cash-Settled Restricted Stock Units] (the "RSUs")**
Purpose	The purpose of this Award is to reward and retain your services. 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 (this "Agreement") have the meanings given to them in the Plan.
Awarded to **Employee ID** **Home Country**	**[Participant Name]**
Award Agreement	This Agreement, including the Terms and Conditions of Your Award attached hereto that form part of this Agreement, together with the Plan, under which this award of RSUs (this "Award") is granted and which is incorporated herein by reference, constitute the entire agreement between you and Kyndryl Holdings, Inc. ("Kyndryl") and its subsidiaries (including subsidiaries of subsidiaries and partnerships and other business ventures in which Kyndryl has a controlling equity interest) (together, the "Company") with respect to this Award. You acknowledge and agree the Plan is available on Fidelity.
Grant	**Date [Grant Date]** **Grant Price [Grant Date FMV]** **Number of Units Granted [Number of Shares]**
Vesting	This Award vests as set forth below, subject to your continued employment with the Company through the applicable Vesting Date(s) and the terms and conditions of this Agreement.

Date	**Units**
[VestDate_1]	
[VestDate_2]	
[VestDate_3]	
[VestDate_4]	

Payout of Award	Subject to the terms and conditions of the Plan, this Agreement, and applicable law, promptly following each "Vesting Date" indicated above, the Company shall either (1) deliver to you a number of shares of Common Stock equal to the number of the RSUs vesting on such Vesting Date, or (2) make a cash payment to you equal to the Fair Market Value on the Vesting Date *multiplied* by the number of RSUs vesting on such Vesting Date, in each case net of applicable tax withholding. Payment in shares is not applicable in countries in which the Company has determined that this Award will be deemed to be paid in cash, in which case, payment will only be made in cash as described in the immediately preceding sentence.

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

Kyndryl Holdings, Inc.
Restricted Stock Units Equity Award Agreement

Terms and Conditions of Your Award

Pursuant to the Plan, Kyndryl has granted you this Award as described in this Agreement on the terms and conditions set forth herein (including the cover page hereto). This Award is also subject to the terms and conditions of the Plan.

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 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

Capitalized terms not specifically defined in this Agreement have the meanings given to them in the Plan (as incorporated herein by reference solely for purposes of this Agreement).

2. NATURE OF GRANT

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

a. the 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 Plan;

c. the grant of this 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 or different terms), or benefits in lieu of Awards, even if an Award has been granted in the past;

d. 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;

e. the grant and your participation in the 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;

f. 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;

g. the RSUs and any shares (or cash) delivered in respect of the RSUs are not intended to replace any pension rights or compensation, if applicable;

h. the RSUs and any shares (or cash) delivered in respect of 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;

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

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

k. unless otherwise provided herein, in the Plan or by the Company in its discretion, the RSUs and the benefits evidenced by this 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 Common Stock; and

l. 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 this Award, you agree that during your employment with the Company and for one year 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 that you were directly or indirectly involved with, or exposed to confidential information about, as part of your job responsibilities during the last 12-months of your employment (x) who is an employee of the Company at the time of any conduct by you referenced in the preceding sentence, or (y) who was an employee of the Company at any time in 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 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; (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-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 that you were directly or indirectly involved with, or exposed to confidential information about, as part of your job responsibilities during the last 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 this 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 Agreement.

4. CANCELLATION AND RESCISSION OF AWARDS/CLAWBACK

a. You understand that the Company may cancel, modify, rescind, suspend, clawback, recoup, withhold or otherwise limit or restrict this Award in accordance with the terms of the Plan, and all applicable laws, 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, all awards granted under the Plan, including this Award, are subject to all clawback policies 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 any applicable law. You acknowledge and agree to abide by the terms of the Company's Financial Restatement Clawback Policy, as in effect from time to time and all other clawback policies of the Company, 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 Plan or any other plan of the Company or any of its affiliates.

b. All determinations regarding enforcement, waiver or modification of the cancellation, rescission, clawback, recoupment and other provisions of the Plan and this Agreement (including the provisions relating to termination of employment, death and Disability) shall be made in the Committee's sole discretion. Determinations made under this Agreement and the 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 provisions of the Plan and this Agreement are reasonable and agree not to challenge the reasonableness of such provisions, even where forfeiture of this Award is the penalty for violation. Engaging in Detrimental Activity during employment or after your employment relationship has ended may result in cancellation, rescission, clawback or recoupment of this Award and all other awards granted to you under the Plan; provided, however, that cancellation, rescission, clawback or recoupment due to Detrimental Activity solely as it relates to rendering competitive services after your employment relationship shall only be applicable to services rendered within one year following the termination of your employment.

d. The cancellation, rescission, clawback and recoupment provisions of the Plan may be triggered by your acceptance of an offer to Engage in or Associate with any business that 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 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) this Award is a Retention Restricted Stock Unit Award.

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 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. Any dispute arising under or relating to the Plan and each Award Agreement shall be resolved by final and binding arbitration administered by JAMS in New York, New York pursuant to its applicable rules and governed by the Federal Arbitration Act (FAA). You consent to the jurisdiction of the state and federal courts located in New York County or Westchester County, New York for purposes of enforcing any such arbitration award and irrevocably waive any objection to the venue of any such proceeding, including any objection that such proceeding has been brought in an inconvenient forum.

If any court of competent jurisdiction finds any provision of this 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 Agreement shall continue in full force and effect.

If you or the Company brings an action to enforce this 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 and arbitration fees.

If the vendor engaged to administer the Plan changes, you consent to moving all of the Common Stock and Awards you have received under the Plan that is in an account with such vendor (including unvested and previously vested Common Stock and Awards), to the new vendor engaged to administer the 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 Agreement; you also consent to receiving information and materials in connection with this Award or any subsequent awards under the Plan or any other Company plan, including without limitation any prospectuses and plan documents, by any means of electronic delivery available now or in the future (including without limitation by e-mail, by vendor Website access or by facsimile), such consent to remain in effect unless and until revoked in writing by you.

a. By participating in the 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 Plan, statements and communications relating to the Plan and generally administering and managing the Plan, including keeping records of analysis of and reporting on participation levels and other information about the 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 Plan, for example, data about Common Stock offered or received, purchased or sold under the Plan from time to time and other appropriate financial and other data about you and your participation in the 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 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 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 Plan, under a duty of confidentiality to the Company;

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

In the event you experience a termination of employment (other than on the account of death or Disability), all the RSUs that are unvested as of the date of your termination of employment, and any relating rights thereto, under this 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) you may be eligible for continued RSU vesting (excludes RRSU) upon your retirement from the Company. You must meet the following retirement conditions: (i) you have attained age 55; (ii) you have completed 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); (iii) you have completed at least one year of active service with the Company measured from the RSU date of grant (as set forth in this Agreement) unless the Committee approves an earlier separation; (iv) you have provided at least six months' written notice of your retirement to the Vice President of HR for your business unit (which period may be waived or shortened if acknowledged in writing by a person authorized by the Company for this purpose); (v) you do not voluntarily terminate employment prior to the retirement date agreed upon with the Company; (vi) your employment is not terminated for Cause; (vii) 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; and (viii) you comply with all restrictive covenants, including non-solicitation and non-competition, to which you are bound.

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 you experience a termination of employment due to death or Disability, all the RSUs that are unvested as of the date of your termination of employment shall vest immediately upon your termination of employment and the Vesting Date shall be the date of your termination of employment. For purposes of this Agreement, “Disability” means that you are deemed by the Company to be disabled and eligible for benefits under the terms of the Kyndryl Long Term Disability Plan (or any successor plan or similar plan of the Company). For the avoidance of doubt, this provision is only applicable with respect to the treatment of the RSUs following a termination due to Disability and not during any continued period of employment.

c. **Leave of Absence**

In the event you are on a management approved leave of absence, any of the RSUs that are unvested shall continue to vest during such approved leave of absence as if you were an active employee of the Company, subject to the terms of this Agreement. For the avoidance of doubt, if you return to active status, the RSUs that are unvested shall continue to vest according to the terms of this Award, and if you experience a termination of employment, the RSUs shall be subject to the terms of Sections 7(a) and (b). For purposes of this Agreement, “Disability” means that you are deemed by the Company to be disabled and eligible for benefits under the terms of the Kyndryl Long Term Disability Plan (or any successor plan or similar plan of the Company). For the avoidance of doubt, this provision is only applicable with respect to the treatment of the RSUs following a termination due to Disability and not during any continued period of employment.

d. **Dividend Equivalents**

RSUs do not provide for dividends. To the extent the Company pays dividends on its Common Stock, dividend equivalents shall accrue on unvested RSUs based on the number of shares of Common Stock underlying such RSUs and such dividend equivalents shall be paid in cash promptly following the vesting of the RSUs with respect to which the dividend equivalent accrued. Dividend equivalents that accrue on RSUs that do not vest are forfeited upon the forfeiture of the RSUs with respect to which the dividend equivalent accrued.

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 this Award.

8. CHANGE IN CONTROL

In the event of a Change in Control, the RSUs shall be treated in accordance with Section 15 of the Plan, except as otherwise determined by the Committee.

9. 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 Plan and this 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 Plan or this 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 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, 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 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 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 non-solicitation provision of Section 3 for individuals with the home country of Denmark:

In consideration of this 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 this 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 Plan and this 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 the "Payout of Award" provision on the cover page of this Agreement:

Notwithstanding any discretion set forth in the Plan or this 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 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 month anniversary of the RSU date of grant of this Award.

f. **Mexico**

Labor Law Acknowledgement and Policy Statement

By accepting this Award you acknowledge that the Company is solely responsible for the administration of the Plan. You further acknowledge that your participation in the Plan, the grant of this Award and any acquisition of shares under the Plan does not constitute an employment relationship between you and the Company because you are participating in the Plan on a wholly commercial basis. Based on the foregoing, you expressly acknowledge that the Plan and the benefits that you may derive from participation in the 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 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 Plan is as a result of a unilateral and discretionary decision of the Company; therefore, the Company reserves the absolute right to amend 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 Plan or the benefits derived under the Plan, and you therefore grant a full and broad release to the Company, branches, representative offices, stockholders, directors, officers, employees, agents, or legal representatives with respect to any claim that may arise.

Securities

You acknowledge that the Awards, this Agreement, the Plan and all other materials that you may receive regarding participation in the Plan do not constitute advertising or an offering of securities in Mexico. The shares acquired pursuant to the 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 Plan and this Agreement.

h. **Spain**

Labor Law Acknowledgment

This provision supplements the acknowledgements contained in Section 2:

In accepting the grant of RSUs, you consent to participation in the Plan and acknowledge that you have received a copy of the Plan.

You understand that the Company has unilaterally, gratuitously and in its own discretion decided to grant under the 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 Agreement. Consequently, you understand that this Award are granted on the assumption and condition that any shares acquired upon settlement of this Award 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 this Award 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 this Award shall be null and void.

i. **United Kingdom**

Responsibility for Tax-Related Items

Without limitation to Section 12, 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 vendor of the Company with respect to the Plan or tax collection or any tax authority or any other relevant authority). You also hereby agree to indemnify and keep indemnified the Company against any Tax-Related Items that the Company is required to pay or withhold or have paid or will pay on your behalf to Fidelity (or any other vendor of the Company with respect to the Plan or tax collection or any 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 Exchange Act), the terms of the immediately foregoing provision will not apply.

j. **United States**

Trade Secrets

Nothing in the Plan, prospectus, this Agreement or any prospectus 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 (x) file any document containing the trade secret under seal, and (y) 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 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 Plan will apply if you engage in (1) any Detrimental Activity prior to your employment relationship ending with the Company or (2) any Detrimental Activity (other than engaging in competitive activities after your employment relationship has ended with the Company) following the end of your employment relationship with the Company.

The cancellation, rescission and clawback and recoupment provisions of the Plan that apply if you engage in Detrimental Activity during your employment with the Company, constitute "non-competition restrictions" that may affect your ability to obtain future employment. The cancellation, rescission, clawback and recoupment provisions of the Plan that apply if you engage in Detrimental Activity during or after your employment with the Company, as well as the restrictions in Section 3, constitute "non-solicitation restrictions." By accepting this Award, you acknowledge that this Agreement specifies valuable, mutually agreed, independent consideration (in the form of stock grants or long-term cash awards) for the non-competition and non-solicitation restrictions contained in this Agreement, and that the non-solicitation restrictions referenced in this 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 Agreement for up to 14 days prior to signing it. If you reside in or work from an office in Massachusetts, this Agreement will take effect no sooner than 10 business days after if it is signed by both you and the Company.

Nothing in this Section 9 is intended to supersede or modify the New York choice-of-law provision in Section 5, 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 30 days prior to your execution of this Agreement.

10. PAYMENT OF AWARD

The payment terms of this Award are set forth on the cover page of this Agreement and are subject to the terms and conditions of the Plan, this Agreement and applicable law.

11. TRANSFERABILITY

You may not transfer or assign, pledge, pay to, exercise or otherwise encumber this Award, except by law, will or the laws of descent and distribution. Notwithstanding the foregoing, in no event shall this Award be transferable or assignable other than by will or by the laws of descent and distribution.

Any shares of Common Stock issued or transferred pursuant to this Award, 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 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 assignees.

12. NOTICES

Any notice to be given under this 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.

13. 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 the Company determines 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 this Award, including the grant of the RSUs, the vesting of this Award, the delivery or sale of any shares or cash acquired pursuant to this Award and the issuance of any dividends, if applicable.

b. To the extent that the grant or vesting of this Award, the delivery of shares or cash pursuant to this Award 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 cash payout of this Award or the sale of shares acquired upon payout of this Award 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 of the withholding.

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.

a. 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 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.

b. 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).

c. 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 this Award, 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 Agreement, you agree and acknowledge that you have received and read a copy of the Plan. This Award is subject to the Plan. In the event of a conflict between any term or condition contained herein and a term or provision of the Plan, the applicable terms and conditions of the Plan will govern and prevail.

14. AMENDMENTS

The rights and obligations under this 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 and in all other manners allowed by the Plan.

15. SIGNATURE IN COUNTERPARTS

To the extent that this 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 Agreement, shares delivered pursuant to this Agreement may, at the sole discretion of the Company, be registered in the name of the nominee for the holder of the shares 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 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 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 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 this Award and the Plan. This includes the RSUs, any shares you acquire pursuant to this Award and your participation in the 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 Agreement, as in effect from time to time. As a holder of shares delivered pursuant to this 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 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 Agreement, the 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 Agreement, the Plan or any other document related to this Award 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

This Award is intended to be compliant with or exempt from Section 409A of the Code and shall be interpreted in such manner and, to the extent you are subject to income taxation by or in the United States, is subject in all respects to the Plan provisions with respect to Section 409A of the Code and the following:

a. All payments or settlements under this Award that are said to be made promptly following a date shall be made as soon as practicable following such date, but in all events no later than 2 ½ months following the year in which the applicable portion of this Award vests, and will equal the payment with respect to the vested portion of this Award.

b. 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 may not be made at the time contemplated by the terms of this Award or subject to any applicable deferral, as the case may be, without causing you to be subject to taxation under Section 409A of the Code, the Company may unilaterally amend this Agreement to cause the payments to be made at a time that would not cause you to be subject to taxation under Section 409A of the Code.

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 portion of this Award that is subject to Section 409A of the Code and with respect to which payment is linked to the date of your “separation from service” (as defined under Section 409A of the Code) shall not be made prior to the date which is six 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.

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 cash acquired under the 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 regulations in your country of residence (and country of employment, if different).

20. INSIDER TRADING / MARKET ABUSE LAWS

By participating in the 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 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 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 Agreement, including the Terms and Conditions of Your Award set forth herein, together with the Plan, under which this Award is granted and which is incorporated herein by reference, constitute the entire agreement between you and the Company with respect to this Award and supersedes all prior oral and written agreement between you and the Company pertaining to such matters.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the Date of Grant set forth in this Agreement.

KYNDRYL HOLDINGS, INC.

By:

Mark Paulek
Chief Human Resources Officer

[IF NOT ELECTRONICALLY ACCEPTED]

PARTICIPANT

____
Signature

____
Print Name

____
Date

____
Employee ID

Kyndryl Holdings, Inc.

Restricted Stock Units Equity Award Agreement
Confidential

Plan	**Amended and Restated Kyndryl 2021 Long-Term Performance Plan (the "Plan")**
Award Type	**Restricted Stock Units**
Purpose	The purpose of this Award is to reward and retain your services. 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 (this "Agreement") have the meanings given to them in the Plan.
Awarded to **Employee ID** **Home Country**	**[Participant Name]**
Award Agreement	This Agreement, including the Terms and Conditions of Your Award attached hereto that form part of this Agreement, together with the Plan, under which this award of RSUs (this "Award") is granted and which is incorporated herein by reference, constitute the entire agreement between you and Kyndryl Holdings, Inc. ("Kyndryl") and its subsidiaries (including subsidiaries of subsidiaries and partnerships and other business ventures in which Kyndryl has a controlling equity interest) (together, the "Company") with respect to this Award. You acknowledge and agree the 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 the Company through the applicable Vesting Date(s) and the terms and conditions of this Agreement.

Date	**Units**
[VestDate_1]	[VestQty_1]
[VestDate_2]	[VestQty_2]
[VestDate_3]	[VestQty_3]
[VestDate_4]	[VestQty_4]

Payout of Award	Subject to the terms and conditions of the Plan and this Agreement and applicable law, promptly following each Vesting Date indicated above, the Company shall either (1) deliver to you a number of shares of Common Stock equal to the number of the RSUs vesting on such Vesting Date or (2) make a cash payment to you equal to the Fair Market Value on the Vesting Date multiplied by the number of earned and vested RSUs with respect to such Date of Payout, in each case net of applicable tax withholding. Payment in shares is not applicable in countries in which the Company has determined that this Award will be deemed to be paid in cash, in which case, payment will only be made in cash as described in the immediately preceding sentence.
Accept Your Award	This Award is considered valid when you accept it. By accepting this Award, you acknowledge having received and read this Agreement and the Plan and you agree that this Award is subject in all respects to, the terms of the Plan and this Agreement (including those provisions relating to cancellation, rescission, clawback and recoupment of awards, jurisdiction and/or local laws and governing law) and you agree not to hedge the economic risk of this Award or any previously-granted outstanding awards from Kyndryl, which includes entering into any

derivative transaction on Kyndryl securities (e.g., any short sale, put, swap, forward, option, collar, etc.). This Award may be cancelled unless you accept within 90 days of receipt.

Kyndryl Holdings, Inc.

Restricted Stock Units Equity Award Agreement

Terms and Conditions of Your Award

Pursuant to the Plan, Kyndryl has granted you this Award described in this Agreement on the terms and conditions set forth herein (including the cover page hereto). This Award is also subject to the terms and conditions of the governing 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 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

Capitalized terms not specifically defined in this Agreement have the meanings given to them in the Plan (as incorporated herein by reference solely for purposes of this Agreement).

2. NATURE OF GRANT

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

a. the 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 Plan;

c. the grant of this 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 or different terms), or benefits in lieu of Awards, even if an Award has been granted in the past;

d. 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;

e. the grant and your participation in the 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;

f. 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;

g. the RSUs and any shares (or cash) delivered in respect of the RSUs are not intended to replace any pension rights or compensation, if applicable;

h. the RSUs and any 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;

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

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

k. unless otherwise provided herein, in the Plan or by the Company in its discretion, the RSUs and the benefits evidenced by this 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 Common Stock; and

l. 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 this Award, you agree that during your employment with the Company and for 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 that you were directly or indirectly involved with, or exposed to confidential information about, as part of your job responsibilities during the last 12-months of your employment with the Company (x) who is an employee of the Company at the time of any conduct by you referenced in the preceding sentence, or (y) who was an employee of the Company at any time in the 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 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; (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-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 that you were directly or indirectly involved with, or exposed to confidential information about, as part of your job responsibilities during the last 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 this 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 Agreement.

4. CANCELLATION AND RESCISSION OF AWARDS/CLAWBACK

a. You understand that the Company may cancel, modify, rescind, suspend, clawback, recoup, withhold or otherwise limit or restrict this Award in accordance with the terms of the Plan and all applicable laws, including, but not limited to Section 10D of the Exchange Act, as amended and any rules promulgated thereunder and any other regulatory regimes. Further, all Awards granted under the Plan are subject to all clawback policies 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 any applicable law. You acknowledge and agree to abide by the terms of the Company's Financial Restatement Clawback Policy and the Company's Clawback Policy, as each is in effect from time to time, and all other clawback policies of the Company, 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 Plan or any other plan of the Company or any of its affiliates.

b. All determinations regarding enforcement, waiver or modification of the cancellation, rescission, clawback, recoupment and other provisions of the Plan and this Agreement (including the provisions relating to termination of employment, death and Disability) shall be made in the Committee's sole discretion. Determinations made under this Agreement and the 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 provisions of the Plan and this Agreement are reasonable and agree not to challenge the reasonableness of such provisions, even where forfeiture of this Award is the penalty for violation. Engaging in Detrimental Activity during employment or after your employment relationship has ended may result in cancellation, rescission, clawback or recoupment of this Award and all other awards granted to you under the Plan; provided, however, that the cancellation, rescission, clawback or recoupment due to Detrimental Activity solely as it relates to rendering competitive services after your employment relationship shall only be applicable to services rendered within one year following the termination of your employment.

d. The cancellation, rescission and clawback provisions of the 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 two years after your employment relationship with the Company has ended if: (i) on or prior to the date of grant stated in this 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 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 Plan. However, the clawback period in this Section 4 shall not apply to Section 13(a)(i) of the Plan. For purposes of Section 13(a)(i) of the Plan, the Company may cancel, modify, rescind, suspend, withhold or otherwise limit or restrict this Award 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 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 Plan; and (b) the cancellation, rescission and clawback provisions of the 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 Plan.

5. GOVERNING LAW, EXPENSES AND ADMINISTRATION

This 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. Any dispute arising under or relating to the Plan and each Award Agreement shall be resolved by final and binding arbitration administered by JAMS in New York, New York pursuant to its applicable rules and governed by the Federal Arbitration Act (FAA). You consent to the jurisdiction of the state and federal courts located in New York County or Westchester County, New York for purposes of enforcing any such arbitration award and irrevocably waive any objection to the venue of any such proceeding, including any objection that such proceeding has been brought in an inconvenient forum.

If any court of competent jurisdiction finds any provision of this 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 Agreement shall continue in full force and effect.

If you or the Company brings an action to enforce this 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 and arbitration fees.

If the vendor engaged to administer the Plan changes, you consent to moving all of the shares or RSUs you have received under the 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 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 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 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 Plan, statements and communications relating to the Plan and generally administering and managing the Plan, including keeping records of analysis of and reporting on participation levels and other information about the 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 the Plan (if applicable); and

   iii. Data subsequently collected by the Company in relation to your continued participation in the Plan, for example, data about shares offered or received, purchased or sold under the Plan from time to time and other appropriate financial and other data about you and your participation in the 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 Plan, under a duty of confidentiality to the Company;

iv. Your family members, heirs, legatees and others associated with you in connection with the 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 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 experience a termination of employment (other than on the account of death or Disability), all the RSUs that are unvested as of the date of your termination of employment, and any relating rights thereto, under this 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) you may be eligible for continued RSU vesting (excludes RRSU) upon your retirement from the Company. You must also meet the following retirement conditions: (i) you have attained age 55; (ii) you have completed 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); (iii) you have completed at least one year of active service with the Company measured from the RSU date of grant (as set forth in this Agreement) unless the Board approves an earlier separation; (iv) you have provided at least six months' written notice of your retirement to the Vice President of HR for your business unit (which period may be waived or shortened if acknowledged in writing by a person authorized by the Company for this purpose); (v) you do not voluntarily terminate employment prior to the retirement date agreed upon with the Company; (vi) your employment is not terminated for Cause; (vii) 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; and (viii) you comply with all restrictive covenants, including non-solicitation and non-competition, to which you are bound.

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 you experience a termination of employment due to death or Disability, all the RSUs that are unvested as of the date of your termination of employment shall vest immediately upon your termination of employment and the Vesting Date shall be the date of your termination of employment. For the avoidance of doubt, this provision is only applicable with respect to the treatment of the RSUs following a termination due to Disability and not during any continued period of employment.

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 Agreement.

D. Dividend Equivalents

Prior to the distribution of shares with respect to RSUs pursuant to this 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 Plan and this 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 Plan or this 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 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 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 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 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 Plan and this 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 the "Payout of Award" provision on the cover page of this Agreement:

Notwithstanding any discretion set forth in the Plan or this 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 this Award, you acknowledge that the Company, is solely responsible for the administration of the Plan. You further acknowledge that your participation in the Plan, the grant of RSUs and any acquisition of shares under the Plan does not constitute an employment relationship between you and the Company because you are participating in the Plan on a wholly commercial basis. Based on the foregoing, you expressly acknowledge that the Plan and the benefits that you may derive from participation in the 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 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 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 Plan or the benefits derived under the 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 this Award, this Agreement, the Plan and all other materials that you may receive regarding participation in the Plan do not constitute advertising or an offering of securities in Mexico. The shares acquired pursuant to the 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 Plan and this Agreement.

H. Spain

Labor Law Acknowledgment

This provision supplements the acknowledgements contained in Section 2 (Nature of Grant) of this Agreement:

In accepting the grant of RSUs, you consent to participation in the Plan and acknowledge that you have received a copy of the Plan.

You understand that the Company has unilaterally, gratuitously and in its own discretion decided to grant under the 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 Agreement. Consequently, you understand that this Award are granted on the assumption and condition that any shares acquired upon settlement of this Award 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 this Award 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 this Award shall be null and void.

I. United Kingdom

Responsibility for Tax-Related Items

Without limitation to Section 12 of this 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 Plan, prospectus, or this 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 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 Plan will apply if you engage in (1) any Detrimental Activity prior to your employment relationship ending with the Company or (2) any Detrimental Activity (other than engaging in competitive activities after your employment relationship has ended with the Company) following the end of your employment relationship with the Company.

The cancellation, rescission and clawback provisions of the Plan that apply if you engage in Detrimental Activity during your employment with the Company, constitute “non-competition restrictions”. The cancellation, rescission and clawback provisions of the Plan that apply if you engage in Detrimental Activity during or after your employment with the Company, as well as the restrictions in Section 3 of this Agreement, constitute “non-solicitation restrictions.” By accepting this Award, you acknowledge that this 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 Agreement, and that the non-solicitation restrictions referenced in this 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 Agreement for up to 14 days prior to signing it. If you reside in or work from an office in Massachusetts, this Agreement will take effect no sooner than 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 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 30 days prior to your execution of this Agreement.

9. PAYMENT OF AWARD

The payment terms of this Award are set forth on the cover page of this Agreement and are subject to the terms and conditions of the Plan and this Agreement and applicable law.

10. TRANSFERABILITY

You may not transfer or assign, pledge, pay to, exercise or otherwise encumber this Award, except by law, will or the laws of descent and distribution. Notwithstanding the foregoing, in no event shall this Award be transferable or assignable other than by will or by the laws of descent and distribution.

Any shares of Common Stock issued or transferred pursuant to this Award, 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 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 assignees.

11. NOTICES

Any notice to be given under this 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 hereinafter 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 the Company determines 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 makes no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of this Award, including the grant of this Award, the vesting of this Award, the delivery or sale of any shares or cash acquired pursuant to this Award and the issuance of any dividends, if applicable.

b. To the extent that the grant or vesting of this Award, the delivery of shares or cash pursuant to this Award or the issuance of dividends, 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 cash payout of this Award or the sale of shares acquired upon payout of this Award 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 of the withholding.

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 Plan that cannot be satisfied by the means previously described. The Company may delay issue or deliver 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 this Award, 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 Agreement, you agree and acknowledge that you have received and read a copy of the Plan. All Awards are subject to the Plan. In the event of a conflict between any term or condition contained herein and a term or provision of the Plan, the applicable terms and conditions of the Plan will govern and prevail.

14. AMENDMENTS

The rights and obligations under this 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 and in all other manners allowed by the Plan.

15. SIGNATURE IN COUNTERPARTS

To the extent that this 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 Agreement, shares delivered pursuant to this 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 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 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 Plan. This includes the RSUs, any shares you acquire pursuant to the RSUs and your participation in the 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 Agreement, as in effect from time to time. As a holder of shares delivered pursuant to this 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 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 Agreement, the 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 Agreement, the 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

This Award is intended to be compliant with or exempt from Section 409A of the Code and shall be interpreted in such manner and, to the extent you are subject to income taxation by or in the United States, is subject in all respects to the Plan provisions with respect to Section 409A of the Code and the following:

a. All payments or settlements under this Award that are said to be made promptly following a date shall be made as soon as practicable following such date, but in all events no later than $2^1/_2$ months following the year in which the applicable portion of this Award vests, and will equal the payment with respect to the vested portion of this Award.

b. 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 may not be made at the time contemplated by the terms of this Award or subject to any applicable deferral, as the case may be, without causing you to be subject to taxation under Section 409A of the Code, the Company may unilaterally amend this Agreement to cause the payments to be made at a time that would not cause you to be subject to taxation under Section 409A of the Code.

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 portion of this Award that is subject to Section 409A of the Code and with respect to which payment is linked to the date of your "separation from service" (as defined under Section 409A of the Code) shall not be made prior to the date which is six 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.

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 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 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 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 Agreement, including the Terms and Conditions of Your Award set forth herein, together with the Plan, under which this Award is granted and which is incorporated herein by reference, constitute the entire agreement between you and the Company with respect to this Award and supersedes all prior oral and written agreement between you and the Company pertaining to such matters. You acknowledge and agree that this Agreement, including the Plan, and all prior RSUs or other equity grant agreements 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 Agreement effective as of the Date of Grant set forth in this Agreement.

KYNDRYL HOLDINGS, INC.

By:

Mark Paulek
Chief Human Resources Officer

[IF NOT ELECTRONICALLY ACCEPTED]

PARTICIPANT

____
Signature

____
Print Name

____
Date

____
Employee ID

Exhibit 10.4

kyndryl

1 Vanderbilt Avenue
New York, NY 10017

07/02/2026

Ellen Johnson

Dear Ellen,

We are delighted to offer you the role of Chief Financial Officer of Kyndryl Holdings, Inc. ("Kyndryl"). Attached are the terms of your offer. Please don't hesitate to reach out to me if I can be of any assistance. I look forward to hearing from you and welcoming you to the team. Once you've accepted this offer, we'll send you additional information and resources to help you prepare for your future at Kyndryl.

/s/ Mark Paulek
Mark Paulek
Chief Human Resources Officer

Attachment

The following are the terms and conditions of the offer letter to Ellen Johnson to be the next Chief Financial Officer of Kyndryl. The terms below are subject in all respects to you beginning employment with Kyndryl. We anticipate your employment start date will be July 20, 2026, and your appointment as Chief Financial Officer will become effective the day after the Company files its FY27 Q1 Form 10-Q, which is expected to be filed on or around August 5, 2026. As Chief Financial Officer, you will report to the Chief Executive Officer of Kyndryl. You will have the authority and responsibilities consistent with your position and will perform other duties on behalf of Kyndryl and its subsidiaries as may from time to time be authorized or directed by the Chief Executive Officer.

Total Target Cash:

Effective on your first day of employment, your total target annualized cash compensation will be $2,250,000. It will be comprised of $1,000,000 annual base salary and a target incentive opportunity of 125% of base salary (currently $1,250,000). This is in addition to your eligibility to participate in the health and welfare benefits of Kyndryl available to similarly situated employees. As an employee, you will receive a paycheck on a semi-monthly basis on or around the 15th and 31st of each month. Your base salary and incentive award for fiscal year 2027 (April 2026 - March 2027) will be prorated to reflect your actual months of Kyndryl service. The incentive payout amount will be determined based on Kyndryl's business performance and the attainment of your individual business objectives. You must be an active employee on March 31st of any fiscal year to be eligible for a payout of any incentive award for that fiscal year period. For further details on how this program works and how it relates to the rest of your compensation package, refer to the Kyndryl Annual Incentive Plan documentation which will be available to you shortly after you join Kyndryl.

Long-Term Incentive Awards:

As a new hire, you will be awarded a long-term incentive grant with a grant value of $4,500,000 as your fiscal year 2027 annual Long-Term Incentive ("LTI") award, subject to Compensation and Human Capital Committee approval. This award serves as a material inducement for the commencement of your employment with Kyndryl. You will be eligible to receive an LTI award annually as part of Kyndryl's annual LTI award grants. The LTI award is expected to be delivered in the form of 65% Performance Share Units ("PSUs") and 35% Restricted Stock Units ("RSUs"), which represent the right to receive shares of common stock subject to applicable vesting conditions. Kyndryl reserves the right, in its sole discretion, to change the form, mix and delivery mechanism of awards, including the use of equity-based or cash-based awards, and to grant your awards as inducement awards in accordance with applicable New York Stock Exchange requirements. Your LTI award is expected to be granted on the first trading day during Kyndryl's open trading window following the FY27 Q1 earnings release. Your LTI award will be subject to an award agreement and plan documentation, which will be provided to you as soon as is practical after grant. The number of RSUs granted will be determined by dividing the RSU grant date value by the average of Kyndryl's high and low stock price on the date of grant. RSUs, once vested, are paid out in stock. Your RSU award will vest as follows: one-fourth ($1/4^{th}$) per year over four years, starting on the first anniversary of the date of the grant. The number of PSUs granted will be determined by dividing the PSU grant value by the Monte Carlo valuation for the FY27 – FY29 PSU awards. PSUs vest subject to achievement of performance goals and are distributed after the Compensation and Human Capital Committee certifies performance with an expected distribution date of June 1, 2029.

Sign-on Long-Term Incentive Grant:

You will be awarded a Sign-On Long-Term Incentive Grant with a grant date value of $1,500,000, subject to Compensation and Human Capital Committee approval. This award serves as a material inducement for the commencement of your employment with Kyndryl. Currently, Kyndryl sign-on LTI awards are delivered in the form of Retention Restricted Stock Units ("RRSUs"). Kyndryl reserves the right, in its sole discretion, to change the form, mix, and delivery mechanism of awards, including the use of equity-based or cash-based awards, and to grant your award as an inducement award in accordance with applicable New York Stock Exchange requirements. Your award is expected to be granted on the first trading day during Kyndryl's open trading window following the FY27 Q1 earnings release. Your award will be subject to an award agreement and plan documentation, which will be provided to you as soon as is practical after grant. The number of RRSUs granted will be determined by dividing the grant date value by the average of Kyndryl's high and low stock price on the date of grant. RRSUs, once vested, are paid out in stock. Your award will vest one-third (1/3rd) per year over three years, starting on the first anniversary of the date of grant. All awards are subject to the terms and conditions of the applicable plan and agreement under which they are granted and subject to Compensation and Human Capital Committee approval. In the event of any discrepancy between the applicable plan and award agreement and any additional information you receive, the provisions of the plan will govern.

Other Terms and Conditions:

This offer is subject to satisfying standard onboarding procedures, including regarding work eligibility, confidential information, non-competition agreement, intellectual property and code of conduct.

All payments and benefits made to you under this letter or otherwise are subject to tax withholding as determined by Kyndryl. All payment amounts set forth in this letter are gross amounts and will be paid net of withholding taxes, as applicable.

It is intended that each payment or benefit provided to you by Kyndryl or its affiliates is compliant with or exempt from Section 409A of the Internal Revenue Code ("Section 409A") and, to the extent applicable, shall be treated as rights to receive a series of separate payments and benefits to the fullest extent allowed by Section 409A. Notwithstanding any other provision of this letter, Kyndryl is authorized to amend this letter to make it comply with Section 409A. If you are a specified employee for purposes of Section 409A, all payments and benefits made to you that are deferred compensation subject to Section 409A and are paid in connection with a separation from service payment event shall not be made until six months after your separation from service. The right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit, and the amount of expenses eligible for reimbursement, or in-kind benefits, provided during any taxable year shall not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year. Kyndryl shall not be liable to you for any failure to comply with, or be exempt from, the requirements of Section 409A.

Your right to any payments or benefits from Kyndryl or its affiliates shall be subject to reduction, cancellation, forfeiture or recoupment, in whole or in part, upon the occurrence of certain specified events, as may be required by any rule or regulation of the Securities and Exchange Commission or by any applicable national exchange, or by any other applicable law, rule or regulation or as set forth in a separate “clawback” or recoupment policy as may be adopted from time to time by Kyndryl, and you agree to abide by all such clawback requirements.

The terms of this letter are not a contract of employment and do not imply employment for any specific period of time. Rather, employment at Kyndryl is at-will, which means that either you or Kyndryl may terminate your employment at any time, for any reason and without prior notice. No modification of this at-will status or this letter is valid unless contained in writing signed by two authorized representatives of Kyndryl. This letter contains the full and complete understanding of you and Kyndryl with respect to the subject matter contained herein and this letter supersedes and replaces any prior agreement or term sheets, either oral or written, that relate to the same subject matter. This letter may not be assigned by you, and any attempted assignment shall be null and void and of no force or effect.

This offer of employment is based on our confidence that your employment with Kyndryl will be a mutually valuable and rewarding experience. Kyndryl reserves the right to withdraw this offer of employment if an acceptance is not received promptly from the date of issue.

We look forward to hearing from you soon.

I acknowledge that I have read, understand and accept the terms and conditions of my employment with Kyndryl.

/s/ Ellen Johnson
Ellen Johnson

© Kyndryl 2026

Exhibit 10.5

kyndryl

1 Vanderbilt Avenue
New York, NY 10017

07/01/2026

Andrew Bonzani

Dear Andrew,

We are delighted to offer you the role of General Counsel and Secretary of Kyndryl Holdings, Inc. (“Kyndryl”). Attached are the terms of your offer. Please don’t hesitate to reach out to me if I can be of any assistance. I look forward to hearing from you and welcoming you to the team. Once you’ve accepted this offer, we’ll send you additional information and resources to help you prepare for your future at Kyndryl.

/s/ Mark Paulek
Mark Paulek
Chief Human Resources Officer

Attachment

The following are the terms and conditions of the offer letter to Andrew Bonzani for the position of General Counsel and Secretary of Kyndryl. The terms below are subject in all respects to you beginning employment with Kyndryl.

Total Target Cash:

Effective on your first day of employment, your initial total target annualized cash compensation will be $2,025,000. It will be comprised of $900,000 annual base salary and a target incentive opportunity of 125% of base salary (currently $1,125,000). This is in addition to your eligibility to participate in the health and welfare benefits of Kyndryl available to similarly situated employees. As an employee, you will receive a paycheck on a semi-monthly basis on or around the 15th and 31st of each month. Your base salary and incentive award for fiscal year 2027 (April 2026 - March 2027) will be prorated to reflect your actual months of Kyndryl service. The incentive payout amount will be determined based on Kyndryl's business performance and the attainment of your individual business objectives. You must be an active employee on March 31st of any fiscal year to be eligible for a payout of any incentive award for that fiscal year period. For further details on how this program works and how it relates to the rest of your compensation package, refer to the Kyndryl Annual Incentive Plan documentation which will be available to you shortly after you join Kyndryl.

Long-Term Incentive Awards:

As a new hire, you will be awarded a long-term incentive grant with a grant value of $2,500,000 as your fiscal year 2027 annual Long-Term Incentive ("LTI") award, subject to Compensation and Human Capital Committee approval. This award serves as a material inducement for the commencement of your employment with Kyndryl. The LTI award is expected to be delivered in the form of 65% Performance Share Units ("PSUs") and 35% Restricted Stock Units ("RSUs"), which represent the right to receive shares of common stock subject to applicable vesting conditions. Kyndryl reserves the right, in its sole discretion, to change the form, mix and delivery mechanism of awards, including the use of equity-based or cash-based awards, and to grant your awards as inducement awards in accordance with applicable New York Stock Exchange requirements. Your LTI award is expected to be granted on the first trading day during Kyndryl's open trading window following the FY27 Q1 earnings release. Your LTI award will be subject to an award agreement and plan documentation, which will be provided to you as soon as is practical after grant. The number of RSUs granted will be determined by dividing the RSU grant date value by the average of Kyndryl's high and low stock price on the date of grant. RSUs, once vested, are paid out in stock. Your RSU award will vest as follows: one-fourth (1/4th) per year over four years, starting on the first anniversary of the date of the grant. The number of PSUs granted will be determined by dividing the PSU grant value by the Monte Carlo valuation for the FY27 – FY29 PSU awards. PSUs vest subject to achievement of performance goals and are distributed after the Compensation and Human Capital Committee certifies performance with an expected distribution date of June 1, 2029.

Sign-on Long-Term Incentive Grant:

You will be awarded a Sign-On Long-Term Incentive Grant with a grant date value of $1,250,000, subject to Compensation and Human Capital Committee approval. This award serves as a material inducement for the commencement of your employment with Kyndryl. Currently, Kyndryl sign-on LTI awards are delivered in the form of Retention Restricted Stock Units ("RRSUs"). Kyndryl reserves the right, in its sole discretion, to change the form, mix, and delivery mechanism of awards, including the use of equity-based or cash-based awards, and to grant your award as an inducement award in accordance with applicable New York Stock Exchange requirements. Your award is expected to be granted on the first trading day during Kyndryl's open trading window following the FY27 Q1 earnings release. Your award will be subject to an award agreement and plan documentation, which will be provided to you as soon as is practical after grant. The number of RRSUs granted will be determined by dividing the grant date value by the average of Kyndryl's high and low stock price on the date of grant. RRSUs, once vested, are paid out in stock. Your award will vest one-third (1/3rd) per year over three years, starting on the first anniversary of the date of grant. All awards are subject to the terms and conditions of the applicable plan and agreement under which they are granted and subject to Compensation and Human Capital Committee approval. In the event of any discrepancy between the applicable plan and award agreement and any additional information you receive, the provisions of the plan will govern.

Other Terms and Conditions:

This offer is subject to satisfying standard onboarding procedures, including regarding work eligibility, confidential information, non-competition agreement, intellectual property and code of conduct.

All payments and benefits made to you under this letter or otherwise are subject to tax withholding as determined by Kyndryl. All payment amounts set forth in this letter are gross amounts and will be paid net of withholding taxes, as applicable.

It is intended that each payment or benefit provided to you by Kyndryl or its affiliates is compliant with or exempt from Section 409A of the Internal Revenue Code ("Section 409A") and, to the extent applicable, shall be treated as rights to receive a series of separate payments and benefits to the fullest extent allowed by Section 409A. Notwithstanding any other provision of this letter, Kyndryl is authorized to amend this letter to make it comply with Section 409A. If you are a specified employee for purposes of Section 409A, all payments and benefits made to you that are deferred compensation subject to Section 409A and are paid in connection with a separation from service payment event shall not be made until six months after your separation from service. The right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit, and the amount of expenses eligible for reimbursement, or in-kind benefits, provided during any taxable year shall not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year. Kyndryl shall not be liable to you for any failure to comply with, or be exempt from, the requirements of Section 409A.

Your right to any payments or benefits from Kyndryl or its affiliates shall be subject to reduction, cancellation, forfeiture or recoupment, in whole or in part, upon the occurrence of certain specified events, as may be required by any rule or regulation of the Securities and Exchange Commission or by any applicable national exchange, or by any other applicable law, rule or regulation or as set forth in a separate “clawback” or recoupment policy as may be adopted from time to time by Kyndryl, and you agree to abide by all such clawback requirements.

The terms of this letter are not a contract of employment and do not imply employment for any specific period of time. Rather, employment at Kyndryl is at-will, which means that either you or Kyndryl may terminate your employment at any time, for any reason and without prior notice. No modification of this at-will status or this letter is valid unless contained in writing signed by two authorized representatives of Kyndryl. This letter contains the full and complete understanding of you and Kyndryl with respect to the subject matter contained herein and this letter supersedes and replaces any prior agreement or term sheets, either oral or written, that relate to the same subject matter. This letter may not be assigned by you, and any attempted assignment shall be null and void and of no force or effect.

This offer of employment is based on our confidence that your employment with Kyndryl will be a mutually valuable and rewarding experience. Kyndryl reserves the right to withdraw this offer of employment if an acceptance is not received promptly from the date of issue.

We look forward to hearing from you soon.

I acknowledge that I have read, understand and accept the terms and conditions of my employment with Kyndryl.

/s/ Andrew Bonzani
Andrew Bonzani

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Employment Agreement

This Employment Agreement, together with all Exhibits, Attachments and Appendices thereto (collectively, the "**Agreement**") is made and entered into as of August 4, 2026, by and between Harsh Chugh (the "**Executive**") and Kyndryl, Inc. ("**Kyndryl**" or the "**Company**").

WHEREAS, the Company desires to employ the Executive on the terms and conditions set forth herein; and

WHEREAS, the Executive desires to be employed by the Company on such terms and conditions.

NOW, THEREFORE, in consideration of the mutual covenants, promises, and obligations set forth herein, the parties agree as follows:

1 Term. The Executive's employment pursuant to this Agreement shall be effective as of August 6, 2026 (the "**Effective Date**") and shall continue until terminated at the will of either or both parties. The parties currently anticipate that this Agreement will likely continue until February 5, 2027; however, both parties understand and agree that either party may terminate this Agreement at any time, with or without notice. The parties understand that they should confer approximately sixty (60) days prior to the estimated termination date stated above to affirm their intention to conclude or extend the expected duration of the Agreement. The period during which the Executive is employed by the Company pursuant to the terms set forth in this Agreement is hereinafter referred to as the "**Employment Term.**"

2 Position and Duties.

2.1 Position. During the Employment Term, the Executive shall serve in the role of Executive Advisor to the Company, reporting to Martin Schroeter. In such position, the Executive will assist with the transition of the Chief Financial Officer role and responsibilities. In such capacity, the Executive shall have such duties, authority, and responsibilities as shall be reasonably determined from time to time by Martin Schroeter, which duties, authority, and responsibilities are consistent with the Executive's position.

2.2 Hours of Work and Work Location. During the Employment Term, the parties anticipate this will be a full-time role. The parties agree, however, that the specific working hours may vary from week to week and that the Compensation detailed in Section 3 below will not vary based on actual hours worked. The Executive shall primarily perform his work functions from his home office in Florida, although the parties understand and agree that periodic travel, including but not limited to the Company's headquarters in New York, may be required.

2.3 Compliance with Company Policies and Procedures. The Executive agrees to review and comply with all relevant Company policies and procedures, including but not limited to the Kyndryl Code of Conduct ("**Code of Conduct**"), as well as to timely complete all required training. The Executive further agrees to review and abide by the Agreement Regarding Confidential Information, and Intellectual Property and other matters ("**ARCIIP**"), including the restrictive covenants and obligations contained herein, and acknowledges that certain obligations under the ARCIIP will survive the Executive's Termination Date. The ARCIIP has been, or by August 4, 2026 will be, delivered to, and executed by, the Executive.

2.4 Performance of Outside Work. During the Employment Term, the Executive will comply with the Kyndryl Code of Conduct, including its requirements related to conflicts of interest and performance of outside work. Holding a similar position at another company, working for a competitor, engaging in a profession or occupation for compensation, or serving as a member of a board of directors, advisory board, or advisory council may result in a conflict of interest. As outlined in the Code of Conduct, the Executive must obtain prior review and approval from management and Kyndryl Legal. These activities must not interfere with the performance of the Executive's duties and responsibilities to the Company under this Agreement.

3 Total Rewards & Compensation.

3.1 Base Salary. During the entirety of the Employment Term, the Company shall pay the Executive an annual base salary of $825,000 in periodic installments in accordance with the Company's customary payroll practices and applicable wage payment laws, but no less frequently than monthly. This base salary will remain the same regardless of actual hours worked. The parties do not expect that there will be any adjustments or increases to the Executive's Base Salary during the term of this Agreement. The Executive's annual base salary, as in effect from time to time, is hereinafter referred to as "**Base Salary**."

3.2 Previously Awarded Equity Awards. The Executive shall remain eligible to vest in existing equity awards pursuant to the terms of the governing plan and corresponding award agreements as if the Executive continued in his prior role as Interim CFO without break during the entirety of the Employment Term; however, on and after the Effective Date, the Executive will not be considered for additional equity award grants. The applicable Change-in-Control provisions of the Amended and Restated Long-Term Performance Plan shall apply to these existing awards.

3.3 Employee Benefits. During the Employment Term, the Executive shall be entitled to participate in all employee benefit plans, practices, and programs maintained by the Company, as in effect from time to time (collectively, "**Employee Benefit Plans**") available as a full-time Employee to the extent consistent with applicable law and the terms of the applicable Employee Benefit Plans, including without limitation, health care (including medical, dental, vision), flexible spending accounts (FSA), Kyndryl 401(k) Plan, and the Kyndryl Excess Plan.

3.4 Vacation; Paid Time Off. During the Employment Term, the Executive is entitled to 15 days of paid vacation days per calendar year if they have less than 10 years of service with the Company, commensurate with a full-time executive role under the Kyndryl US Holiday and Vacation Policy. Paid holidays and personal choice days are also provided according to the Policy.

3.5 Travel, Administrative Support, and Business Expenses. The Executive shall be entitled to reimbursement for all reasonable and necessary out-of-pocket business, entertainment, and travel expenses incurred by the Executive in connection with the performance of the Executive's duties hereunder in accordance with the Company's expense reimbursement policies and procedures for a Band A executive. The Executive will be eligible for administrative support for travel and expense reimbursement and calendar management.

4 Waiver and Release of Claims by Executive. The Executive acknowledges and agrees that the compensation and benefits provided under this Agreement (other than the Accrued Amounts) are in exchange of and contingent on Executive's execution of this Agreement (including the waiver and release as set forth in Exhibit A hereof (the "**Release**").

5 Termination of Employment. The Employment Term and the Executive's employment hereunder may be terminated by either the Company or the Executive at any time and for any reason (the date on which Executive's employment is terminated, the "**Termination Date**"). Each party agrees that they will make their best efforts to provide the other party at least sixty (60) days advance written notice of termination. Upon termination, the Executive shall be entitled to the

compensation and benefits described in this Section 5 and shall have no further rights to any compensation or any other benefits from the Company or any of its affiliates.

5.1 Amounts Due Upon Termination of Employment. Upon termination, the Executive shall be entitled to receive:

a. any accrued but unpaid Base Salary and accrued but unused vacation which shall be paid on the pay date immediately following the Termination Date in accordance with the Company's customary payroll procedures; and

b. reimbursement for unreimbursed business expenses properly incurred by the Executive, which shall be subject to and paid in accordance with the Company's expense reimbursement policy referenced in Section 3.5, above (together with clause (a), the "**Accrued Amounts**").

c. The treatment of any outstanding equity awards shall be determined in accordance with the provisions of Section 3.2, above, and the terms of the plan and the applicable award agreements.

d. The continuation of any applicable benefits or bonuses shall be determined in accordance with the terms of the relevant plan.

5.2 Termination Upon the Executive's Death.

a. The Executive's employment hereunder shall terminate automatically on the Executive's death during the Employment Term.

b. If the Executive's employment is terminated during the Employment Term on account of the Executive's death, the Executive (or the Executive's estate and/or beneficiaries, as the case may be) shall be entitled to the amounts detailed in Section 5.1 above.

5.3 Resignation of All Other Positions. On termination of the Executive's employment hereunder for any reason, the Executive shall be deemed to have resigned, as of the Termination Date, from all positions that the Executive holds as an officer or member of the Board (or a committee thereof) of the Company or any of its affiliates. The Executive's transition to the role as defined in this Agreement will not constitute a break in service for benefit and/or equity vesting purposes.

6 Cooperation. The parties agree that certain matters in which the Executive will be involved during the Employment Term may necessitate the Executive's cooperation in the future. Accordingly, following the termination of the Executive's employment for any reason, to the extent reasonably requested by the Company, the Executive shall cooperate with the Company in connection with matters arising out of the Executive's service to the Company; provided that the Company shall make reasonable efforts to minimize disruption of the Executive's other activities.

7 Restrictive Covenants.

7.1 The Executive agrees that, as consideration for entering into this Employment Agreement, the Noncompetition Agreement signed by the Executive on August 23, 2021 shall remain in full force and effect during the Employment Term and for a period of twelve (12) months from the Executive's Termination Date. The Executive specifically acknowledges that these provisions include the covenants in Paragraphs 1(e) and (f) of the Executive's Noncompetition Agreement, which will apply through the first anniversary of the Termination Date and are valid and enforceable.

7.2 The Executive agrees that Kyndryl shall have the right to appropriate injunctive relief provided in Paragraph 4 of the Noncompetition Agreement to enforce the provisions of this Section 7.

7.3 The Executive acknowledges that the obligations under the Noncompetition Agreement are in addition to the obligations contained in the ARCIIP, which will also survive the Termination Date, but only to the extent such obligations otherwise are in effect.

8 Confidential Information and Intellectual Property. The Executive is aware of the legal obligations as stated in the ARCIIP, which includes the Executive's obligation not to disclose to anyone outside of Kyndryl or use in other than Kyndryl's business, any confidential information or material of or possessed by Kyndryl. These and all other obligations regarding intellectual property, and confidential information will continue to apply to the Executive after the Termination Date. If at any time in the future, the Executive wishes to disclose or use any confidential information or if the Executive should be in doubt as to whether any information may be confidential to the Company, the Executive will, before such disclosure or use, obtain written permission from an authorized officer of Kyndryl to do so, subject to Section 10 (Protected Rights) hereof. The Executive further understands that such permission may be refused. In addition, subject to Section 10 (Protected Rights) hereof, the Executive agrees not to comment on any matter in a manner that would reveal any such confidential information.

Nothing in this Agreement shall prohibit the Executive from complying with any lawful subpoena or court order or taking any other actions affirmatively authorized by law.

The Executive acknowledges that, as a senior level executive, he or she will acquire and possess to a greater extent than most Kyndryl employees, information which is confidential and proprietary to the Company. The Executive may disclose Company confidential information if required to do so to comply with applicable laws, legal proceedings, or governmental regulations, provided that the Executive gives Kyndryl, when legally permissible, prior notice of such order or requirement to disclose such confidential information in order to give Kyndryl a reasonable opportunity to obtain a protective order. The Executive is not required to provide such notice to Kyndryl with respect to requests from the Securities and Exchange Commission ("**SEC**"). The Executive should be aware that the disclosure of confidential information would place Kyndryl at a serious competitive disadvantage and could cause it serious damage, financial and otherwise. Except as provided herein, any unauthorized disclosure of confidential information could result in criminal penalties (including fines and imprisonment) assessed against the Executive.

The Executive has disclosed, and will disclose, in writing to the Kyndryl Intellectual Property Law department, any inventions, works of authorship, or other developments made, conceived, written, or otherwise created, solely by the Executive or jointly with others, during the Executive's employment with Kyndryl to the extent they relate to Kyndryl's business or are suggested by or resulting from any task assigned to the Executive or work performed by the Executive for or on behalf of Kyndryl, all of which Kyndryl owns by virtue of the ARCIIP. The Executive recognizes that he or she has an obligation to execute papers in connection with patents or patent applications on such inventions to complete filings and assignments to Kyndryl.

9 Non-Disparagement. Subject to Section 10 (Protected Rights), the Executive agrees and covenants that the Executive will not at any time make, publish, or communicate to any person or entity or in any public forum any defamatory or disparaging remarks, comments, or statements concerning the Company or its businesses, or any of its employees, officers, and existing and prospective customers, suppliers, investors and other associated third parties.

This Section does not, in any way, restrict or impede the Executive from exercising protected rights to the extent that such rights cannot be waived by agreement or from complying with any applicable law or regulation or a valid order of a court of competent jurisdiction or an authorized government agency, provided that such compliance does not exceed that required by the law, regulation, or order. The Executive shall promptly provide written notice of any such order to Kyndryl's General Counsel.

10 Protected Rights. By signing this Agreement, both the Company and the Executive agree that (i) this Agreement does not limit the Executive's right to discuss the Executive's engagement of service or unlawful acts in Company's workplace, including but not limited to sexual harassment, or report possible violations of law or regulation with any federal, state or local government agency, or to discuss the terms and conditions of the Executive's engagement of service with others to the extent expressly permitted by Section 7 of the National Labor Relations Act; (ii) nothing in this Agreement or otherwise limits the Executive's ability to communicate directly with and provide information, including documents, not otherwise protected from disclosure by any applicable law or privilege to the SEC, the Department of Justice ("**DOJ**") or any other federal, state or local governmental agency or commission or self-regulatory agency ("**Governmental Agencies**") regarding possible legal violations, without disclosure to Company; (iii) Company may not retaliate against the Executive for any of these activities, and nothing in this Agreement or otherwise requires the Executive to waive any monetary award or other payment that the Executive might become entitled to from the SEC or any other Government Agency; and (iv) nothing in this Agreement or otherwise requires the Executive to disclose any communications the Executive may have had or information the Executive may have provided to the SEC or any other Government Agencies regarding possible legal violations. Notwithstanding anything to the contrary in this Agreement or otherwise, as provided for in the Defend Trade Secrets Act of 2016 (18 U.S.C. § 1833(b)), the Company acknowledges that the Executive will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (a) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. The Company further acknowledges that, without limiting the foregoing, if the Executive files a lawsuit for retaliation by Company for reporting a suspected violation of law, the Executive may disclose the trade secret to Executive's attorney and use the trade secret information in the court proceeding, if the Executive (x) files any document containing the trade secret under seal, and (y) does not disclose the trade secret, except pursuant to court order.

11 Exit Obligations. Subject to Section 10 (Protected Rights) hereof, at termination or the Company's request at any time during the Executive's employment, the Executive shall (i) provide or return to the Company any and all Company property, including but not limited to access cards, security devices, employer credit cards, network access devices, computers, cell phones, smartphones, equipment, documents, work product, email messages, thumb drives or other removable information storage devices, hard drives, and data and all Company documents and materials belonging to the Company and stored in any fashion, including but not limited to those that constitute or contain any confidential information or work product, that are in the possession or control of the Executive, whether they were provided to the Executive by the Company or any of its business associates or created by the Executive in connection with the Executive's employment by the Company; and (ii) delete or destroy all copies of any such documents and materials not returned to the Company that remain in the Executive's possession or control, including those stored on any non-Company devices, networks, storage locations, and media in the Executive's possession or control.

12 Governing Law: Jurisdiction and Venue. This Agreement, for all purposes, shall be construed in accordance with the laws of New York without regard to conflicts of law principles. Any action or proceeding by either of the parties to enforce this Agreement shall be brought only in a state or federal court located in the state of New York, county of New York. The parties hereby irrevocably

submit to the exclusive jurisdiction of such courts and waive the defense of inconvenient forum to the maintenance of any such action or proceeding in such venue.

13 Entire Agreement. Unless specifically provided herein, this Agreement contains all of the understandings and representations between the Executive and the Company pertaining to the subject matter hereof and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, both written and oral, with respect to such subject matter. The parties mutually agree that the Agreement can be specifically enforced in court and can be cited as evidence in legal proceedings alleging breach of the Agreement.

14 Modification and Waiver. No provision of this Agreement may be amended or modified unless such amendment or modification is agreed to in writing and signed by the Executive and by the Chief Human Resources Officer of the Company. No waiver by either of the parties of any breach by the other party hereto of any condition or provision of this Agreement to be performed by the other party hereto shall be deemed a waiver of any similar or dissimilar provision or condition at the same or any prior or subsequent time, nor shall the failure of or delay by either of the parties in exercising any right, power, or privilege hereunder operate as a waiver thereof to preclude any other or further exercise thereof or the exercise of any other such right, power, or privilege.

15 Severability. Should any provision of this Agreement be held by a court of competent jurisdiction to be enforceable only if modified, or if any portion of this Agreement shall be held as unenforceable and thus stricken, such holding shall not affect the validity of the remainder of this Agreement, the balance of which shall continue to be binding upon the parties with any such modification to become a part hereof and treated as though originally set forth in this Agreement.

The parties further agree that any such court is expressly authorized to modify any such unenforceable provision of this Agreement in lieu of severing such unenforceable provision from this Agreement in its entirety, whether by rewriting the offending provision, deleting any or all of the offending provision, adding additional language to this Agreement, or by making such other modifications as it deems warranted to carry out the intent and agreement of the parties as embodied herein to the maximum extent permitted by law.

The parties expressly agree that this Agreement as so modified by the court shall be binding upon and enforceable against each of them. In any event, should one or more of the provisions of this Agreement be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions hereof, and if such provision or provisions are not modified as provided above, this Agreement shall be construed as if such invalid, illegal, or unenforceable provisions had not been set forth herein.

16 Captions. Captions and headings in this Agreement are for convenience only and should not affect interpretation.

17 Counterparts. This Agreement may be executed in separate counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

18 Successors and Assigns. This Agreement is personal to the Executive and shall not be assigned by the Executive. The Company may assign this Agreement to a successor or assign of its business or assets. The Agreement benefits the Company and its permitted successors and assigns.

19 Notice. Notices and all other communications provided for in this Agreement shall be in writing and shall be delivered personally, via e-mail, or sent by registered or certified mail, return receipt requested, or by overnight carrier to the parties at the addresses set forth below (or such other addresses as specified by the parties by like notice):

If to the Company:

Kyndryl
1 Vanderbilt Avenue, 15th Floor
New York, NY 10017
ATTN: KYNDRYL CHIEF HUMAN RESOURCES OFFICER

If to the Executive:

20 Representations of the Executive. The Executive represents and warrants to the Company that:

a. The Executive's acceptance of employment with the Company and the performance of duties hereunder will not conflict with or result in a violation of, a breach of, or a default under any contract, agreement, or understanding to which the Executive is a party or is otherwise bound.

b. The Executive's acceptance of employment with the Company and the performance of duties hereunder will not violate any non-solicitation, non-competition, or other similar covenant or agreement of a prior employer.

21 Withholding. The Company shall have the right to withhold from any amount payable hereunder any Federal, state, and local taxes in order for the Company to satisfy any withholding tax obligation it may have under any applicable law or regulation.

22 Survival. Upon the expiration or other termination of this Agreement, the respective rights and obligations of the parties hereto shall survive such expiration or other termination to the extent necessary to carry out the intentions of the parties under this Agreement.

23 Acknowledgement of Full Understanding. THE EXECUTIVE ACKNOWLEDGES AND AGREES THAT THE EXECUTIVE HAS FULLY READ, UNDERSTANDS AND VOLUNTARILY ENTERS INTO THIS AGREEMENT. THE EXECUTIVE ACKNOWLEDGES AND AGREES THAT THE EXECUTIVE HAS HAD AN OPPORTUNITY TO ASK QUESTIONS AND CONSULT WITH AN ATTORNEY OF THE EXECUTIVE'S CHOICE BEFORE SIGNING THIS AGREEMENT.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

KYNDRYL, INC.

By: /s/ Martin Schroeter
Name: Martin Schroeter
Title: Chief Executive Officer

EXECUTIVE

Signature: /s/ Harsh Chugh
Print Name: Harsh Chugh

Exhibit A

Waiver and Release

1. Waiver of Severance. The Executive acknowledges and agrees that, as a material condition of employment and in consideration of the compensation and benefits provided under this Agreement, the Executive hereby knowingly and voluntarily waives any and all rights to participate in, or receive severance benefits under any severance plan or policy of the Company (including the Kyndryl Executive Severance Plan), whether such plan is formal or informal, written or unwritten, and whether or not such plan is subject to the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"). This waiver includes, without limitation, any claim to severance pay, continuation of benefits, or other post-termination compensation that may otherwise be available under the Company's severance policies or plans, including any ERISA-covered severance plan. However, this waiver does not apply to any of the Executive's or his family members' rights to benefits set forth in (i) any and all employee benefit plans and qualified retirement plans (including, but not limited to, any pension or 401(k) plan) under which the Executive (or, after his death, his beneficiary or beneficiaries) has, have or may have an accrued benefit and (ii) Part 6 of Subtitle B of Title I of ERISA, Section 4980 of the Code and all related or similar state or local laws or ordinances (collectively, "**COBRA**") The Executive further agrees that this waiver is made knowingly and voluntarily, after having had the opportunity to consult with legal counsel, and with full understanding of the rights being waived.

2. General Release of Claims. In consideration of the compensation and benefits provided under this Agreement, the Executive, for himself or herself, Executive's spouse, heirs, administrators, children, representatives, executors, successors, assigns, and all other persons claiming through Executive, if any (collectively, "**Releasers**"), does hereby release, waive, and forever discharge the Company, and the Company's subsidiaries, parents, affiliates, related organizations, and equity holders, and their respective affiliates, employees, officers, directors, attorneys, successors, and assigns or each of the foregoing (collectively, the "**Releasees**") from, and does fully waive any obligations or liabilities of Releasees to Releasers of any kind and nature that Releasers had, have, or might claim to have against Releasees at the time Executive executes this release for or in respect of any and all liability, actions, charges, causes of action, demands, damages, or claims for relief, remuneration, sums of money, accounts or expenses, but in all cases only to the extent in connection with Executive's employment by the Company, including any action arising in tort including libel, slander, defamation or intentional infliction of emotional distress, and claims under any federal, state or local statute including Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1866 and 1871 (42 U.S.C. § 1981), the Equal Pay Act, Employee Retirement Income Security Act, Family and Medical Leave Act, the National Labor Relations Act, the Fair Labor Standards Act, the Americans with Disabilities Act of 1990, the Rehabilitation Act of 1973, or the discrimination or employment laws of any state or municipality, and/or any claims under any express or implied contract which Releasers may claim existed with Releasees. This also includes a release by Executive of any claims for breach of contract, wrongful discharge and all claims for alleged physical or personal injury, emotional distress relating to or arising out of Executive's employment with Company or the termination of that employment; and any claims under the WARN Act or any similar law, which requires, among other things, that advance notice be given of certain work force reductions. The foregoing release does not apply to (a) any claims which by law cannot be waived in a private agreement between an employer and employee; (b) any rights the Executive may have to receive vested amounts under any of the Company's employee benefit plans and/or pension plans or programs; (c) the Executive's rights in and to any equity or ownership interest that the Executive continues to hold following termination; (d) the Executive's rights set forth under COBRA; (e) any rights or claims that are based on events occurring after the time at which the

Executive signs this release; (f) any claims the Executive may have to indemnification or insurance coverage, including but not limited to directors & officers insurance, that the Executive may have with respect to any claims made or threatened against the Executive in the Executive's capacity as a director, officer or employee of the Company, whether pursuant to any statute, insurance policy, corporate charter, corporate bylaw, written corporate policy (or the equivalent for any partnership, limited liability company or other non-corporate organizational body), or other common law or statutory right; (g) any rights the Executive may have pursuant to the Company's expense reimbursement policies; (h) the Executive's right to the Accrued Amounts; and (i) any claims by the Executive for contribution in the event the Executive and any of the Releasees are found to be jointly liable.

3. Excluded from this waiver and release are any claims which cannot be waived by law, including but not limited to the right to participate in an investigation conducted by certain government agencies. The Executive represents and warrants that he has not filed any complaint, charge, or lawsuit against the Releasees with any government agency or any court.

4. The Executive acknowledges and recites that:

   a. The Executive has executed this release knowingly and voluntarily and has read and understands this release in its entirety;

   b. The Executive has been advised and directed orally and in writing (and this subsection (b) constitutes such written direction) to seek legal counsel and any other advice she or he wishes with respect to this release before executing it;

   c. The Executive is specifically waiving any claims regarding age discrimination;

   d. The Executive's execution of this release has not been forced by any employee or agent of the Company, and Executive has had an opportunity to negotiate about the terms of this release.

   e. The Executive has been given at least twenty-one (21) days to consider this release, and if executed prior to the expiration of the twenty-one (21) day period, such execution is knowing and voluntary.

   f. The compensation, benefits and other promises that the Executive is to receive under this Agreement are sufficient consideration for this release.

5. The Executive may revoke this release within seven (7) calendar days after signing it. To be effective, the Executive must notify Kyndryl in writing by sending notice of revocation to Kyndryl Offboarding at kynusoff@kyndryl.com within the seven (7) day period.

EXECUTIVE

Signature: /s/ Harsh Chugh
Print Name: Harsh Chugh

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

I, Martin J. Schroeter, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q 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: August 5, 2026

/s/ Martin J. Schroeter

Martin J. Schroeter
Chairman and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER

I, Harsh Chugh, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q 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: August 5, 2026

/s/ Harsh Chugh

Harsh Chugh
Interim 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 Quarterly Report of Kyndryl Holdings, Inc. (the “Company”) on Form 10-Q for the quarterly period ended June 30, 2026, 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: August 5, 2026

/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 Quarterly Report of Kyndryl Holdings, Inc. (the “Company”) on Form 10-Q for the quarterly period ended June 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Harsh Chugh, Interim 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: August 5, 2026

/s/ Harsh Chugh

Harsh Chugh
Interim Chief Financial Officer
(Principal Financial Officer)