

Kyndryl Holdings, Inc.
Audit Committee Charter

Purpose

The Audit Committee will assist Board oversight of the integrity of the Company's financial statements, compliance with legal and regulatory requirements, cybersecurity and data privacy matters, the independent accountant's qualifications and independence, and the performance of the internal audit function and independent accountant who are ultimately responsible to the Audit Committee and the Board of Directors. The Audit Committee will report to the shareholders in the Company's annual proxy statement. The Audit Committee should keep an open line of communication between the Audit Committee, the independent accountant, the internal auditor, the chief compliance officer, and financial management.

In carrying out its responsibilities, the Audit Committee believes that the policies and procedures delineated in this Charter should remain flexible, in order to react best to changing business and regulatory requirements.

Organization and Authority

The Audit Committee will be composed of at least three outside directors who are not officers or employees of Kyndryl or its subsidiaries, and are independent of management under the independence standards of the New York Stock Exchange ("NYSE") and the Securities and Exchange Commission ("SEC"), as promulgated from time to time.

The members of the Audit Committee must each be financially literate, and at least one member of the Audit Committee must have "accounting or related financial management expertise" as defined in NYSE rules and qualify as an "audit committee financial expert" under SEC rules.

The Board of Directors judges the qualification and independence of directors for service on the Audit Committee. Membership on the Audit Committee will be based on Board election.

It is expected that no member of the Audit Committee may serve on the audit committee of more than three public companies, including the Company, unless the Board of Directors (i) determines that such simultaneous service would not impair the ability of such member to effectively serve on the Audit Committee and (ii) discloses such determination either on or through the Company's website or in the annual proxy statement.

The Audit Committee will meet regularly to perform its duties, and is scheduled to meet at least five times a year.

The Company will provide appropriate funding, as determined by the Audit Committee, to pay the independent accountants, any outside advisors hired by the Audit Committee, and any administrative expenses of the Audit Committee.

The Audit Committee shall be given full access to the Company's internal auditors, Board of Directors, corporate officers, employees and independent accountants as necessary to carry out its responsibilities.

Management is responsible for the preparation, presentation and integrity of the Company's financial statements, for the appropriateness of the accounting principles and reporting policies that are used by the Company and for establishing and maintaining adequate internal control over financial reporting. The independent accountant is responsible for auditing the Company's financial statements and the Company's internal control over financial reporting and for reviewing the Company's unaudited interim financial statements. The authority and responsibilities set forth in this Charter do not reflect or create any duty or obligation of the Audit Committee to plan or conduct any audits, to determine or certify that the Company's financial statements are complete, accurate, fairly presented, or in accordance with generally accepted accounting principles or applicable law, or to guarantee the independent accountant's reports.

Roles and Responsibilities

Financial Reporting

1. Discuss with senior financial management and with the independent accountant, significant assumptions, estimates, and judgments used in the preparation of the consolidated financial statements.
2. Meet to review and discuss with management and the independent accountant the Company's quarterly financial statements to be included in the Company's Quarterly Reports on Form 10-Q, including the specific disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations" ("MD&A"), prior to their filing with the SEC. Review the audited financial statements to be included in the Company's Annual Reports on Form 10-K, including the MD&A, prior to their filing with the SEC. Recommend to the Board of Directors that the audited financial statements be included in the Company's Annual Reports on Form 10-K. As part of this review, discuss with senior financial management and the independent accountant the accounting principles as applied. Periodically, discuss with management their approach to earnings press releases and the type of financial information and earnings guidance provided to analysts and rating agencies. Review earnings press releases and financial results in advance of release as deemed appropriate by the Committee.
3. Review any significant changes in accounting principles or developments in accounting practices and the effects of these changes upon the Company's financial reporting.

Independent Accountant

4. Select the independent accountant and approve all related fees and compensation. Review that selection with the Board of Directors. Oversee the work of the independent accountant, including resolution of any disagreements between the Company and the independent accountant regarding financial reporting.
5. Review and pre-approve the audit and non-audit services provided by the independent accountant and approve any pre-approval policies. The Committee may delegate authority to one or more independent members to grant pre-approvals of audit and non-audit services; provided that any such pre-approvals shall be presented to the full Audit Committee at its next scheduled meeting. Review the Company's proxy disclosure with respect to the fees of the independent accountant.

Notwithstanding the foregoing, pre-approval is not necessary for minor non-audit services if: (i) the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenue paid by the Company to its independent registered public accounting firm during the fiscal year in which the non-audit services are provided; (ii) such services were not recognized by the Company at the time of the engagement to be non-audit services; and (iii) such services are promptly brought to the attention of the Audit Committee and approved prior to the completion of the audit by the Audit Committee or by one or more members of the Audit Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Audit Committee.

6. To review the independent accountant's independence, annually review the independent accountant's report of the relationships between the independent accountant and the company. Discuss any relationships or services that may impact their objectivity and independence. Review the firm's internal quality control procedures and any material issues. Also review any inquiry by regulatory authorities regarding independent accounting by the firm. Recommend to the Board of Directors any appropriate actions in response to these reports.
7. Review with the independent accountant any audit problems or difficulties and management's response. Conduct regular private review sessions with the independent accountant as deemed appropriate by the Committee.
8. Assess the effectiveness of the independent accountant audit. Review the scope of the independent accountant's proposed audit for the current year and review the annual audit report which is subsequently produced.

Internal Audit Function and Process

9. Assess the effectiveness of the internal audit effort through regular meetings conducted separately with the independent accountant and internal auditor. Review the performance of the Company's General Auditor. Conduct regular private review sessions with the General Auditor as deemed appropriate by the Committee.
10. Review the scope of the internal audit plan for the current year and review the summary of the results.
11. Review with the internal auditor the adequacy of the system of internal controls and the responsiveness of management in correcting audit-related deficiencies. Discuss policies regarding risk assessment and risk management.

Compliance Function

12. Oversee the compliance function and the Company's compliance with legal and regulatory requirements and corporate policy.
13. Review the implementation of the Kyndryl Code of Conduct process to monitor compliance with the Code through education and employee certification.

Cybersecurity and Data Privacy

14. Oversee cybersecurity and data privacy matters and the Company's efforts to comply with applicable cybersecurity, data privacy, and related regulatory requirements.
15. Oversee the Company's efforts to develop and implement policies, procedures and strategies for identifying, managing and monitoring cybersecurity, data privacy, and related regulatory risks, including operational risk, business continuity planning and reputational risk.
16. Review notable cybersecurity and data privacy incidents upon escalation under the Company's applicable policies and discuss management's assessments of the same.

Internal Controls

17. Set, and ensure compliance with, Kyndryl's policies on hiring current and former employees of the independent accountant into significant Company positions.
18. Oversee the adequacy of internal controls and procedures related to officers' expense accounts.
19. Periodically review the Company's enterprise risk management framework, including the Company's enterprise risk management processes.
20. Receive and discuss reports from management on an annual or as needed basis as deemed appropriate by the Committee relating to:
 - Financial and internal controls;
 - Investigations;
 - The Company's use of financial instruments;
 - Litigation and regulatory risks;
 - Tax matters; and
 - Key controls and processes in specific business or functional areas, including cybersecurity, pension management, and tax.

Other Committee Responsibilities

21. Following each meeting, report on the proceedings of the Audit Committee to the full Board of Directors.
22. Reassess the adequacy of the Audit Committee charter annually.
23. Conduct an annual review of the Audit Committee's performance.
24. Hold private review sessions, periodically, with management.

25. Obtain advice and assistance from outside legal, accounting, or other advisors as required to assist in the execution of Audit Committee responsibilities. As necessary, conduct or authorize independent reviews.
26. Maintain procedures for the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Approved: January 25, 2023