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 SEPTEMBER 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	**86-1185492**
(State or other jurisdiction of incorporation or organization)	(IRS employer identification number)
One Vanderbilt Avenue, 15th Floor **New York, New York**	**10017**
(Address of principal executive offices)	(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 October 28, 2026 was 217,828,178.

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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 September 30,		Six Months Ended September 30,	
	2026	2025	2026	2025
Revenues	$ 3,651	$ 3,721	$ 7,269	$ 7,464
Cost of services	$ 2,794	$ 2,920	$ 5,636	$ 5,867
Selling, general and administrative expenses	669	659	1,337	1,305
Workforce rebalancing charges	38	19	190	44
Transaction-related costs (benefits)	3	—	(36)	—
Impairment expense	—	—	38	—
Interest expense	37	20	71	39
Other expense (income)	(1)	5	(11)	18
Total costs and expenses	$ 3,539	$ 3,622	$ 7,226	$ 7,274
Income before income taxes	$ 112	$ 98	$ 43	$ 190
Provision for income taxes	$ 53	$ 30	$ 39	$ 66
Net income	$ 59	$ 68	$ 4	$ 124
Basic earnings per share	$ 0.27	$ 0.29	$ 0.02	$ 0.54
Diluted earnings per share	$ 0.27	$ 0.29	$ 0.02	$ 0.52
Weighted-average basic shares outstanding	218.0	230.6	219.3	230.4
Weighted-average diluted shares outstanding	219.1	235.9	221.3	237.5

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 September 30,		Six Months Ended September 30,	
	2026	2025	2026	2025
Net income	$ 59	$ 68	$ 4	$ 124
Other comprehensive income (loss), before tax:				
Foreign currency translation adjustments:				
Foreign currency translation adjustments	(7)	(15)	(23)	207
Unrealized gains (losses) on net investment hedges	(26)	14	(11)	(138)
Total foreign currency translation adjustments	(33)	(2)	(35)	69
Unrealized gains (losses) on cash flow hedges:				
Unrealized gains (losses) arising during the period	(3)	8	3	(2)
Reclassification of (gains) losses to net income	1	(1)	1	1
Total unrealized gains (losses) on cash flow hedges	(2)	7	4	(1)
Retirement-related benefit plans:				
Amortization of prior service costs (credits)	2	—	3	—
Amortization of net (gains) losses	—	3	1	5
Total retirement-related benefit plans	2	3	4	5
Other comprehensive income (loss), before tax	(33)	8	(27)	73
Income tax (expense) benefit related to items of other comprehensive income (loss)	—	(1)	(1)	(1)
Other comprehensive income (loss), net of tax	(34)	7	(28)	72
Total comprehensive income (loss)	$ 25	$ 74	$ (24)	$ 196

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

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

	September 30, 2026	March 31, 2026
Assets:		
Current assets:		
Cash and cash equivalents	$ 1,659	$ 2,623
Restricted cash	13	3
Accounts receivable (net of allowances for credit losses of $8 at September 30, 2026 and $7 at March 31, 2026)	1,217	1,300
Deferred costs (current portion)	1,163	1,166
Prepaid expenses and other current assets	536	436
Total current assets	$ 4,588	$ 5,528
Property and equipment, net	$ 2,533	$ 2,517
Operating right-of-use assets, net	831	853
Deferred costs (noncurrent portion)	1,843	1,880
Deferred taxes	253	240
Goodwill	918	786
Intangible assets, net	327	165
Pension assets	232	222
Other noncurrent assets	340	360
Total assets	$ 11,866	$ 12,551
Liabilities:		
Current liabilities:		
Accounts payable	$ 994	$ 1,346
Value-added tax and income tax liabilities	217	278
Current portion of long-term debt and short-term debt	778	1,796
Accrued compensation and benefits	474	463
Deferred income (current portion)	838	888
Operating lease liabilities (current portion)	248	265
Accrued contract costs	368	369
Other accrued expenses and liabilities	899	903
Total current liabilities	$ 4,816	$ 6,307
Long-term debt	$ 3,281	$ 2,293
Retirement and nonpension postretirement benefit obligations	487	490
Deferred income (noncurrent portion)	364	390
Operating lease liabilities (noncurrent portion)	582	602
Other noncurrent liabilities	1,160	1,176
Total liabilities	$ 10,689	$ 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: September 30, 2026 – 248.7, March 31, 2026 – 244.4)	$ 4,744	$ 4,701
Accumulated deficit	(1,865)	(1,869)
Treasury stock, at cost (shares: September 30, 2026 – 30.8, March 31, 2026 – 21.7)	(699)	(582)
Accumulated other comprehensive income (loss)	(1,103)	(1,074)
Total stockholders' equity before non-controlling interests	$ 1,077	$ 1,175
Non-controlling interests	99	117
Total equity	$ 1,176	$ 1,293
Total liabilities and equity	$ 11,866	$ 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)

	Six Months Ended September 30,	
	2026	**2025**
Cash flows from operating activities:		
Net income	$ 4	$ 124
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation and amortization:		
Depreciation of property, equipment and capitalized software	372	384
Depreciation of right-of-use assets	139	147
Amortization of transition costs and prepaid software	655	613
Amortization of capitalized contract costs	196	231
Amortization of acquisition-related intangible assets	13	14
Stock-based compensation	43	50
Deferred taxes	(55)	(17)
Net (gain) loss on asset sales and other	22	—
Change in operating assets and liabilities:		
Right-of-use assets and liabilities (excluding depreciation)	(155)	(173)
Workforce rebalancing liabilities	94	(1)
Current accounts receivable	91	71
Lease and other receivables	(40)	(64)
Accounts payable	(396)	(328)
Taxes	(54)	23
Deferred transition costs and prepaid software (excluding amortization)	(564)	(1,469)
Capitalized contract costs (excluding amortization)	(250)	(228)
Other assets and other liabilities	(250)	645
Net cash provided by (used in) operating activities	$ (137)	$ 22
Cash flows from investing activities:		
Capital expenditures	$ (363)	$ (272)
Proceeds from disposition of property and equipment	66	51
Acquisitions and divestitures, net of cash acquired	(275)	1
Other investing activities, net	4	26
Net cash used in investing activities	$ (568)	$ (196)
Cash flows from financing activities:		
Debt repayments	$ (88)	$ (70)
Repayment of the revolving credit facility	(1,000)	—
Proceeds from issuance of debt, net of debt issuance costs	986	—
Common stock repurchases	(97)	(151)
Common stock repurchases for tax withholdings	(20)	(89)
Other financing activities, net	(23)	(1)
Net cash used in financing activities	$ (242)	$ (310)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	$ (6)	$ 30
Net change in cash, cash equivalents and restricted cash	$ (953)	$ (453)
Cash, cash equivalents and restricted cash at beginning of period	$ 2,626	$ 1,789
Cash, cash equivalents and restricted cash at end of period	$ 1,672	$ 1,336
Supplemental data:		
Income taxes paid, net of refunds received	$ 109	$ 92
Interest paid on debt	$ 89	$ 58

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		Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Accumulated Deficit	Non-Controlling Interests	Total Equity
	Shares	Amount					
Equity – July 1, 2026	219.4	$ 4,722	$ (1,069)	$ (659)	$ (1,924)	$ 97	$ 1,167
Net income					59		59
Other comprehensive income (loss), net of tax			(34)				(34)
Activity related to employee stock plans	1.4	22					22
Purchases of treasury stock	(3.0)			(39)			(39)
Changes in non-controlling interests						2	2
Equity – September 30, 2026	217.8	$ 4,744	$ (1,103)	$ (699)	$ (1,865)	$ 99	$ 1,176

	Common Stock and Additional Paid-In Capital		Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Accumulated Deficit	Non-Controlling Interests	Total Equity
	Shares	Amount					
Equity – July 1, 2025	231.1	$ 4,656	$ (1,094)	$ (317)	$ (2,011)	$ 110	$ 1,343
Net income					68		68
Other comprehensive income (loss), net of tax			7				7
Activity related to employee stock plans	1.7	30					30
Purchases of treasury stock	(3.4)			(111)			(111)
Changes in non-controlling interests						3	3
Equity – September 30, 2025	229.4	4,686	(1,088)	(427)	(1,943)	112	1,340

	Common Stock and Additional Paid-In Capital		Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Accumulated Deficit	Non-Controlling Interests	Total Equity
	Shares	Amount					
Equity – April 1, 2026	222.7	$ 4,701	$ (1,074)	$ (582)	$ (1,869)	$ 117	$ 1,293
Net income					4		4
Other comprehensive income (loss), net of tax			(28)				(28)
Activity related to employee stock plans	4.2	43					43
Purchases of treasury stock	(9.1)			(117)			(117)
Changes in non-controlling interests						(18)	(18)
Equity – September 30, 2026	217.8	$ 4,744	$ (1,103)	$ (699)	$ (1,865)	$ 99	$ 1,176

	Common Stock and Additional Paid-In Capital		Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Accumulated Deficit	Non-Controlling Interests	Total Equity
	Shares	Amount					
Equity – April 1, 2025	230.6	$ 4,631	$ (1,160)	$ (184)	$ (2,067)	$ 113	$ 1,331
Net income					124		124
Other comprehensive income (loss), net of tax			72				72
Activity related to employee stock plans	5.7	55					55
Purchases of treasury stock	(7.0)			(243)			(243)
Changes in non-controlling interests						—	—
Equity – September 30, 2025	229.4	$ 4,686	$ (1,088)	$ (427)	$ (1,943)	$ 112	$ 1,340

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. Certain items have been recast to conform to current-period presentation, as further described in these footnotes to the accompanying financial statements.

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

Notes to Consolidated Financial Statements (continued)

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.

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 September 30, 2026, the aggregate amount of RPO related to customer contracts that are unsatisfied or partially unsatisfied was $33.1 billion. Approximately 58 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 and six months ended September 30, 2026, revenue increased by $39 million and $41 million, respectively, for performance obligations satisfied (or partially satisfied) in previous periods, mainly due to the resolution of a commercial matter. During the three and six months ended September 30, 2025, revenue increased by $18 million and $25 million, respectively, for 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)	September 30, 2026	March 31, 2026
Assets		
Accounts receivable (net of allowances for credit losses of $8 at September 30, 2026 and $7 at March 31, 2026)[1]	$ 1,217	$ 1,300
Long-term accounts receivable[2]	107	80
Sales-type leases receivable[3]	172	156
Contract assets[4]	63	44
Total	$ 1,559	$ 1,580
Liabilities		
Deferred income (current)	$ 838	$ 888
Deferred income (noncurrent)	364	390
Total	$ 1,202	$ 1,279

(1) Includes unbilled receivable balances of $455 million at September 30, 2026 and $431 million at March 31, 2026.
(2) Long-term accounts receivable includes unbilled receivable balances of $45 million at September 30, 2026 and $46 million at March 31, 2026, and is included within Other noncurrent assets in the Consolidated Balance Sheet.
(3) The current portion of sales-type leases receivable was $25 million at September 30, 2026 and March 31, 2026 and is included in Prepaid expenses and other current assets. The noncurrent portion of sales-type leases receivable was $146 million at September 30, 2026 and $131 million at March 31, 2026 and is included in Other noncurrent assets in the Consolidated Balance Sheet.
(4) 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 and six months ended September 30, 2026 that was included within the deferred income balance at the beginning of the period was $358 million and $591 million, respectively. The amount of revenue recognized during the three and six months ended September 30, 2025 that was included within the deferred income balance at the beginning of the period was $362 million and $517 million, respectively.

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

(Dollars in millions)	Six Months Ended September 30, 2026	2025
Beginning balance	$ 7	$ 13
Additions (releases)	6	1
Write-offs	(4)	(5)
Other*	—	1
Ending balance	$ 8	$ 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.

Notes to Consolidated Financial Statements (continued)

Major Clients

No single client represented more than 10 percent of the Company's total revenue during the three and six months ended September 30, 2026 and 2025. No single client represented more than 10 percent of the Company's total accounts receivable balance as of September 30, 2026 and March 31, 2026.

Deferred Costs

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

(Dollars in millions)	September 30, 2026	March 31, 2026
Deferred transition costs	$ 732	$ 761
Prepaid software costs[1]	1,748	1,809
Capitalized costs to fulfill contracts	254	208
Capitalized costs to obtain contracts	272	268
Total deferred costs[2]	$ 3,006	$ 3,046

(1) Prepaid software costs include deferred costs for committed multi-year, on-premises software purchase contracts.
(2) Of the total deferred costs, $1,163 million was current and $1,843 million was noncurrent at September 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 September 30, 2026 was $425 million, composed of $60 million of amortization of deferred transition costs, $264 million of amortization of prepaid software costs and $102 million of amortization of capitalized contract costs. The amount of total deferred costs amortized for the six months ended September 30, 2026 was $851 million, composed of $116 million of amortization of deferred transition costs, $539 million of amortization of prepaid software costs and $196 million of amortization of capitalized contract costs. The amount of total deferred costs amortized for the three months ended September 30, 2025 was $431 million, composed of $59 million of amortization of deferred transition costs, $246 million of amortization of prepaid software costs and $125 million of amortization of capitalized contract costs. The amount of total deferred costs amortized for the six months ended September 30, 2025 was $844 million, composed of $122 million of amortization of deferred transition costs, $491 million of amortization of prepaid software costs and $231 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, the United Kingdom / Ireland and certain European markets comprised of France, Germany, Italy and Spain / Portugal.

Strategic Markets: This reportable segment represents the aggregation of our operations in all other countries in which we operate, which includes countries in regions such as Latin America, Europe, Middle East & Africa, as well as Asia Pacific (including India and excluding Japan).

The Company made a minor change to its geographic reportable segments effective during the quarter ended September 30, 2026 to reflect how the Company manages its operations and measures business performance,

Notes to Consolidated Financial Statements (continued)

transitioning the reporting and management of its operations in India from the Principal Markets segment to the Strategic Markets segment to strengthen coordination across the Asia Pacific region, outside of Japan. All historical reportable segment information has been recast to reflect this change.

The measure of segment operating performance used by Kyndryl's CODM is adjusted EBITDA, which allows our CODM to evaluate operating results excluding certain items whose fluctuation from period to period do not necessarily correspond to changes in the operations of our business. Adjusted EBITDA is defined as net income excluding income taxes, interest expense, depreciation of property, equipment and capitalized software, amortization of transition costs and prepaid software, amortization of acquisition-related intangible assets, 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 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 September 30, 2026				
(Dollars in millions)	United States	Japan	Principal Markets	Strategic Markets	Total Segments
Revenue	$ 980	$ 555	$ 1,177	$ 939	$ 3,651
Cost of service, excluding depreciation and amortization[1]	549	354	777	607	2,288
Selling, general and administrative expenses, excluding depreciation and amortization[1]	158	88	196	162	604
Other items[2]	(2)	5	3	28	35
Segment adjusted EBITDA	$ 273	$ 108	$ 201	$ 142	$ 725

	Three Months Ended September 30, 2025				
(Dollars in millions)	United States	Japan	Principal Markets	Strategic Markets	Total Segments
Revenue	$ 899	$ 581	$ 1,254	$ 987	$ 3,721
Cost of service, excluding depreciation and amortization[1]	557	366	845	657	2,425
Selling, general and administrative expenses, excluding depreciation and amortization[1]	145	90	204	167	605
Other items[2]	3	3	5	10	21
Segment adjusted EBITDA	$ 195	$ 123	$ 200	$ 152	$ 669

(1) Cost of service and general and administrative expenses 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).

Notes to Consolidated Financial Statements (continued)

(Dollars in millions)	Six Months Ended September 30, 2026				
	United States	Japan	Principal Markets	Strategic Markets	Total Segments
Revenue	$ 1,933	$ 1,089	$ 2,380	$ 1,867	$ 7,269
Cost of service, excluding depreciation and amortization[1]	1,119	686	1,590	1,228	4,622
Selling, general and administrative expenses, excluding depreciation and amortization[1]	306	172	403	324	1,206
Other items[2]	15	14	41	105	175
Segment adjusted EBITDA	$ 493	$ 218	$ 346	$ 210	$ 1,267

(Dollars in millions)	Six Months Ended September 30, 2025				
	United States	Japan	Principal Markets	Strategic Markets	Total Segments
Revenue	$ 1,810	$ 1,160	$ 2,549	$ 1,945	$ 7,464
Cost of service, excluding depreciation and amortization[1]	1,127	737	1,732	1,284	4,879
Selling, general and administrative expenses, excluding depreciation and amortization[1]	282	175	410	322	1,188
Other items[2]	10	11	16	18	55
Segment adjusted EBITDA	$ 391	$ 238	$ 391	$ 322	$ 1,342

(1) Cost of service and general and administrative expenses 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:

(Dollars in millions)	Three Months Ended September 30,		Six Months Ended September 30,	
	2026	2025	2026	2025
Segment adjusted EBITDA	$ 725	$ 669	$ 1,267	$ 1,342
Transaction-related (costs) benefits	(3)	—	36	—
Stock-based compensation expense	(22)	(26)	(43)	(50)
Impairment expense	—	—	(38)	—
Interest expense	(37)	(20)	(71)	(39)
Depreciation of property, equipment and capitalized software	(189)	(193)	(372)	(384)
Amortization of transition costs and prepaid software[1]	(323)	(306)	(655)	(613)
Amortization of acquisition-related intangible assets[1]	(6)	(7)	(13)	(14)
Corporate expense not allocated to the segments	(26)	(28)	(56)	(53)
Other adjustments[2]	(7)	9	(12)	4
Pretax income	$ 112	$ 98	$ 43	$ 190

(1) Amounts have been recast to conform to current period presentation.
(2) 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 September 30, 2026, the Company's effective tax rate was 47.7%, compared to 30.6% for the three months ended September 30, 2025. For the six months ended September 30, 2026, the Company's effective tax rate was 90.7%, compared to 34.7% for the six months ended September 30, 2025.

The Company's effective tax rate for the three and six months ended September 30, 2026 and 2025 exceeded the Company's statutory tax rate primarily due to taxes on foreign operations, uncertain tax positions, and valuation allowances recorded in certain jurisdictions. For the six months ended September 30, 2026, the effective tax rate was additionally impacted by the finalization of the prior-year income tax returns and the level of year-to-date pretax income.

NOTE 6. EARNINGS PER SHARE

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

(In millions, except per share amounts)	Three Months Ended September 30, 2026	Three Months Ended September 30, 2025	Six Months Ended September 30, 2026	Six Months Ended September 30, 2025
Net income on which basic and diluted earnings per share is calculated	$ 59	$ 68	$ 4	$ 124
Number of shares on which basic earnings per share is calculated	218.0	230.6	219.3	230.4
Dilutive effect of stock options and equity awards	1.1	5.2	2.0	7.0
Number of shares on which diluted earnings per share is calculated	219.1	235.9	221.3	237.5
Basic earnings per share	$ 0.27	$ 0.29	$ 0.02	$ 0.54
Diluted earnings per share	0.27	0.29	0.02	0.52

The following securities were not included in the computation of diluted earnings per share because to do so would have been anti-dilutive:

(In millions)	Three Months Ended September 30, 2026	Three Months Ended September 30, 2025	Six Months Ended September 30, 2026	Six Months Ended September 30, 2025
Nonvested restricted stock units	2.9	2.5	3.5	1.6
Nonvested performance-conditioned stock units	6.1	4.2	4.7	3.7
Nonvested market-conditioned stock units	0.3	—	0.3	—
Stock options issued and outstanding	2.5	—	2.5	—
Total	11.8	6.7	11.0	5.3

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 period. There were no additional impairments of non-financial assets recognized for the three and six months ended September 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 September 30, 2026 and March 31, 2026:

(Dollars in millions)	Fair Value Hierarchy Level	At September 30, 2026			At March 31, 2026		
		Assets	Liabilities	Fair Value	Assets	Liabilities	Fair Value
Derivatives designated as hedging instruments:							
Foreign exchange contracts	2	$ 5	$ 8	$ (4)	$ 8	$ 68	$ (60)
Cross-currency swap contracts	2	31	14	17	41	13	28
Derivatives not designated as hedging instruments:							
Foreign exchange contracts	2	2	53	(51)	3	4	(1)
Total		$ 38	$ 76	$ (38)	$ 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 September 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 September 30, 2026 and March 31, 2026 were $1.0 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 Company's long-term debt is comprised primarily of registered debt, and its fair value is based on quoted prices in active markets for identical debt instruments, which is a Level 1 measurement. The fair value of our other long-term debt (excluding finance lease obligations) is calculated 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 September 30, 2026 and March 31, 2026. The debt had an estimated fair value of $3.5 billion as of September 30, 2026 and $3.6 billion as of 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 $539 million and $1.1 billion for the three and six months ended September 30, 2026, respectively, and $563 million and $1.2 billion for the three and six months ended September 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 September 30, 2026 and March 31, 2026, respectively. The fees associated with the transfers of receivables were $5 million and $9 million for the three and six months ended September 30, 2026, respectively, and $5 million and $10 million for the three and six months ended September 30, 2025, respectively.

Derivative Financial Instruments

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

	At September 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	$ 610	$ —	$ 610	$ 402	$ —	$ 402
Net investment hedges	—	500	500	749	500	1,249
Derivatives not designated as hedging instruments	$ 2,081	$ —	$ 2,081	$ 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 September 30, 2026, the maximum remaining length of time over which the Company has hedged its exposure is approximately one year. At September 30, 2026 and March 31, 2026, the weighted-average remaining maturity of these instruments was approximately 0.5 years. At September 30, 2026 and March 31, 2026, in connection with cash flow hedges of foreign currency cost transactions, the Company had unrealized losses of $3 million and $7 million (each before taxes), respectively, in accumulated other comprehensive income ("AOCI"). The Company estimates that $3 million (before taxes) of deferred net losses on derivatives in AOCI at September 30, 2026 will be

Notes to Consolidated Financial Statements (continued)

reclassified to net income within the next twelve months, providing an offsetting economic impact against the underlying anticipated transactions.

Net Investment Hedges

The Company has entered into and designated cross-currency interest rate swap contracts and currency forward contracts as net investment hedges to mitigate foreign exchange exposure related to net investments. Under the terms of the cross-currency swaps, the Company makes fixed-rate payments in foreign currencies and receives fixed-rate amounts in U.S. dollars, with the exchange of the underlying notional amounts at maturity whereby the Company will receive U.S. dollars and pay foreign currencies at exchange rates which are determined at contract inception. Under the terms of the currency forward contracts, the Company commits to sell the local currency of certain subsidiaries in exchange for U.S. dollars at specified forward rates. 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 September 30, 2026, the maximum remaining length of time over which the Company has hedged its exposure is approximately seven years. At September 30, 2026 and March 31, 2026, the weighted-average remaining maturity of the Company's net investment hedge instruments was approximately seven and three years, respectively. At September 30, 2026 and March 31, 2026, the Company had unrealized losses of $93 million and $81 million (each before taxes), respectively, in AOCI related to net investment hedges. As of September 30, 2026, $37 million of these unrealized losses relate to settled instruments.

In September 2026, the Company entered into non-designated foreign currency forward contracts to lock in the expected settlement amounts of its remaining foreign currency forward net investment hedge positions scheduled to mature in October 2026. These contracts, together with the net investment hedges that were de-designated, were the primary driver of the increase in the notional amount of derivatives not designated as hedging instruments and were subsequently settled in October 2026.

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 September 30:	Unrealized Gain (Loss) Recognized in OCI		Consolidated Income Statement Line Item	Gain (Loss) Reclassified from AOCI to Income		Amounts Excluded from Effectiveness Testing	
	2026	2025		2026	2025	2026	2025
Derivative instruments in cash flow hedges:							
Foreign exchange contracts	$ (3)	$ 8	Cost of services	$ (1)	$ (1)	$ —	$ —
			Other expense (income)	—	3	—	—
Derivative instruments in net investment hedges:							
Cross-currency swaps	(21)	11	Interest expense	—	—	3	3
Foreign exchange contracts	(5)	3	Interest expense	—	—	3	7
Total	$ (29)	$ 21		$ (1)	$ 1	$ 6	$ 10

(Dollars in millions) Six months ended September 30:	Unrealized Gain (Loss) Recognized in OCI		Consolidated Income Statement Line Item	Gain (Loss) Reclassified from AOCI to Income		Amounts Excluded from Effectiveness Testing	
	2026	2025		2026	2025	2026	2025
Derivative instruments in cash flow hedges:							
Foreign exchange contracts	$ 3	$ (2)	Cost of services	$ —	$ (3)	$ —	$ —
			Other expense (income)	—	3	—	—
Derivative instruments in net investment hedges:							
Cross-currency swaps	(11)	(14)	Interest expense	—	—	6	6
Foreign exchange contracts	—	(124)	Interest expense	—	—	7	15
Total	$ (8)	$ (140)		$ (1)	$ (1)	$ 13	$ 20

For the three and six months ended September 30, 2026 and 2025, the gains or losses due to underlying exposure that did not occur or was not expected to occur were immaterial.

Notes to Consolidated Financial Statements (continued)

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

(Dollars in millions) Three months ended September 30:	Consolidated Income Statement Line Item	Gain (Loss) Recognized on Derivatives 2026	2025
Foreign exchange contracts	Other expense (income)	$ (1)	$ (5)
Total		$ (1)	$ (5)

(Dollars in millions) Six months ended September 30:	Consolidated Income Statement Line Item	Gain (Loss) Recognized on Derivatives 2026	2025
Foreign exchange contracts	Other expense (income)	$ 1	$ 42
Total		$ 1	$ 42

For the three months ended September 30, 2026 and 2025, our net income included a loss of $3 million and a gain of $1 million (each before taxes), respectively, from foreign currency transactions. For the six months ended September 30, 2026 and 2025, our net income included a gain of $4 million and a loss of $60 million (each before taxes), respectively, from foreign currency transactions.

NOTE 8. ACQUISITIONS AND DIVESTITURES

Acquisition of Healthcare IT Leaders, LLC

In September 2026, the Company completed the acquisition of Healthcare IT Leaders, LLC ("Healthcare IT Leaders"), an enterprise IT services provider serving hospitals and health systems across the United States, by acquiring all outstanding equity interests of Healthcare IT Leaders. The acquisition strengthens the Company's capabilities in healthcare application implementation and managed services and expands the Company's ability to help healthcare customers modernize mission-critical systems and accelerate digital transformation. The acquisition of Healthcare IT Leaders was accounted for as a business combination in accordance with ASC 805, Business Combinations. Costs associated with this acquisition were immaterial. The operations of Healthcare IT Leaders are included in the Company's operating results beginning on the acquisition date. Historical and pro forma disclosures are not provided as the historical operating results of Healthcare IT Leaders were not material to the Company's consolidated financial statements.

The total purchase consideration consisted of $307 million in cash and contingent consideration with an acquisition date fair value of $34 million. The Company will pay up to $40 million in cash contingent upon the achievement of certain revenue-based performance metrics and milestones. The contingent consideration arrangement represents a Level 3 measurement as defined in ASC 820, *Fair Value Measurements and Disclosures*.

Notes to Consolidated Financial Statements (continued)

The purchase price allocation resulted in approximately $170 million in intangible assets, primarily consisting of $151 million in customer relationships and $17 million in trade name, with estimated useful lives of 8 and 10 years, respectively, assets transferred of $71 million (inclusive of cash acquired of $1 million), liabilities assumed of $33 million, and goodwill of $132 million, primarily attributable to synergies expected to arise from this acquisition. Goodwill is deductible for income tax purposes. The purchase price allocation for this acquisition is preliminary, and there may be changes in the allocation of consideration to assets acquired and liabilities assumed, including intangible assets and goodwill, for up to twelve months from the acquisition date.

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 Dutch State Secretary for Economic Affairs and Climate Policy issued a decision prohibiting the transaction pursuant to relevant legislation. The State Secretary reaffirmed the original decision on October 13, 2026, following an independent review by the Dutch Ministry for Economic Affairs. The Company and Solvinity and its controlling shareholders continue to be engaged in proceedings related to the matter, including with respect to claims for potential recovery from the Company, and the Company cannot currently predict the final outcome.

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 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 September 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	$ 197	$ (77)	$ 120	$ 175	$ (59)	$ 116
Customer relationships*	268	(88)	179	116	(77)	39
Completed technology	16	(6)	9	13	(5)	8
Patents and trademarks*	31	(13)	18	14	(12)	2
Total	$ 512	$ (185)	$ 327	$ 318	$ (153)	$ 165

* Amounts include effects from foreign currency translation.

The net carrying amount of intangible assets increased by $162 million during the six months ended September 30, 2026, primarily due to intangible assets acquired as part of the acquisition of Healthcare IT Leaders (see Note 8 – Acquisitions and Divestitures for additional details). Aggregate intangible asset amortization expense was $16 million and $31 million for the three and six months ended September 30, 2026, compared to $13 million and $28 million for the three and six months ended September 30, 2025, respectively. This included amortization of capitalized software of $9

Notes to Consolidated Financial Statements (continued)

million and $18 million for the three and six months ended September 30, 2026, 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 September 30, 2026:

(Dollars in millions)	Capitalized Software	Customer Relationships	Completed Technology	Patents and Trademarks	Total
Year ending March 31:					
2027 (remaining six months)	$ 21	$ 17	$ 2	$ 2	$ 41
2028	37	24	3	2	65
2029	31	24	3	2	60
2030	20	23	1	2	45
2031	10	23	—	2	35
Thereafter	1	70	—	9	81

Goodwill

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

(Dollars in millions) Segment	Balance at March 31, 2026	Acquisitions*	Foreign Currency Translation Adjustments	Reallocation	Balance at September 30, 2026
United States	$ 11	$ 132	$ —	$ —	$ 143
Japan	484	—	1	—	485
Principal Markets	92	—	—	(4)	88
Strategic Markets	198	—	—	4	202
Total	$ 786	$ 132	$ 1	$ —	$ 918

* This amount represent the goodwill acquired as part of the purchase of Healthcare IT Leaders. See Note 8 – Acquisitions and Divestitures for additional details.

As disclosed in Note 4 – Segments, Kyndryl's operations in India transitioned from the Principal Markets segment to the Strategic Markets segment in the quarter ended September 30, 2026. In addition to reallocating goodwill from Principal Markets to Strategic Markets, the Company further refined its reporting unit structure within Strategic Markets. This resulted in a reallocation of goodwill within Strategic Markets reporting units using the relative fair value approach.

The Company performed a quantitative impairment test immediately before and after the change in reporting units and concluded that their fair values exceeded carrying values, including goodwill. Accordingly, the Company concluded that the goodwill related to those reporting units was not impaired.

There were no goodwill impairment losses recorded for the six months ended September 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.

Notes to Consolidated Financial Statements (continued)

NOTE 10. BORROWINGS

The Company's total current portion of long-term debt and short-term debt as of September 30, 2026 and March 31, 2026 was $778 million and $1.8 billion, respectively. As of September 30, 2026, this balance primarily consisted of $778 million of current portion of long-term debt, as detailed in the long-term debt table below. 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.

Debt

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

(Dollars in millions)	Interest Rate	Maturity	September 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 2029	7.80%	September 2029	600	—
Unsecured senior notes due 2031	3.15%	October 2031	650	650
Unsecured senior notes due 2032	7.875%	January 2032	400	—
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	6.33%(2)	2027-2032	186	204
			$ 4,086	$ 3,104
Less: Unamortized discount			9	4
Less: Unamortized debt issuance costs			19	12
Less: Current portion of long-term debt			778	796
Total long-term debt			$ 3,281	$ 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.

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

(Dollars in millions)*	Principal
Year ending March 31:	
2027 (remaining six months)	$ 700
2028	—
2029	500
2030	600
2031	—
Thereafter	2,100
Total	$ 3,900

* 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"), which was repaid in full in September 2026, and there was no outstanding borrowings under the Revolving Credit Agreement as of September 30, 2026. Interest rates on borrowings are based on prevailing market interest rates, plus a margin, as further described in the Revolving Credit Agreement.

Notes to Consolidated Financial Statements (continued)

In September 2026, the Company completed a registered offering of $600 million aggregate principal amount of 7.800% senior unsecured notes due 2029 (the "2029 Notes") and $400 million aggregate principal amount of 7.875% senior unsecured notes due 2032 (the "2032 Notes"). The Company received net proceeds of approximately $595 million from the issuance of the 2029 Notes and approximately $391 million from the issuance of the 2032 Notes, after deducting discounts and debt issuance costs. The interest rate payable on these notes will be subject to adjustment from time to time if any of Moody's, S&P or Fitch downgrades (or subsequently upgrades) the debt rating applicable to these notes. The 2029 Notes and 2032 Notes are the Company's senior unsecured obligations and rank equally in right of payment among themselves and with all of the Company's other existing and future senior unsecured indebtedness. If measured at fair value in the consolidated financial statements, all of the Company's senior unsecured notes would be classified as Level 1 in the fair value hierarchy. The 2029 Notes and the 2032 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.

In October 2026, the Company repaid at maturity the $700 million aggregate principal amount of our 2.05% senior notes due 2026, which were outstanding as of September 30, 2026, using the net proceeds from the offering of 2029 and 2032 Notes described above.

In November 2026, the Company established a commercial paper program, under which we may issue short-term commercial paper notes from time to time of up to a maximum aggregate principal amount of $3.15 billion, with maturities of up to 397 days from the date of issue. The notes will be sold under customary terms in the commercial paper market. The proceeds from the issuance of any notes under the program will be used for general corporate purposes. The commercial paper program is backed by the revolving credit facility, and any commercial paper borrowings will reduce the available capacity under the Revolving Credit Agreement. The Company has not initiated any borrowings under this program.

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 September 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 six months ended September 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.

Notes to Consolidated Financial Statements (continued)

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 matters as appropriate in the Company's best interest.

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 March 2026, a purported Company stockholder filed a putative class action 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. Following the appointment of a lead plaintiff, an amended complaint was filed in August 2026, and the defendants filed a motion to dismiss it in November 2026. The plaintiff seeks monetary damages and costs and expenses. The matter is ongoing and the Company cannot currently predict its final outcome.

Notes to Consolidated Financial Statements (continued)

NOTE 12. EQUITY

The following tables present reclassifications and taxes related to items of other comprehensive income (loss) for the three and six months ended September 30, 2026 and 2025:

(Dollars in millions)	Pretax Amount	Tax (Expense) Benefit	Net-of-Tax Amount
For the three months ended September 30, 2026:			
Foreign currency translation adjustments:			
Foreign currency translation adjustments	$ (7)	$ —	$ (7)
Unrealized gains (losses) on net investment hedges	(26)	—	(26)
Total foreign currency translation adjustments	$ (33)	$ —	$ (33)
Unrealized gains (losses) on cash flow hedges:			
Unrealized gains (losses) arising during the period	$ (3)	$ —	$ (3)
Reclassification of (gains) losses to net income	1	—	1
Total unrealized gains (losses) on cash flow hedges	$ (2)	$ —	$ (2)
Retirement-related benefit plans:			
Amortization of prior service costs (credits)	$ 2	$ —	$ 1
Amortization of net (gains) losses	—	—	—
Total retirement-related benefit plans	$ 2	$ (1)	$ 1
Other comprehensive income (loss)	$ (33)	$ —	$ (34)
For the three months ended September 30, 2025:			
Foreign currency translation adjustments:			
Foreign currency translation adjustments	$ (15)	$ —	$ (15)
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	$ 8	$ —	$ 8
Reclassification of (gains) losses to net income	(1)	—	(1)
Total unrealized gains (losses) on cash flow hedges	$ 7	$ —	$ 6
Retirement-related benefit plans – amortization of net (gains) losses	$ 3	$ (1)	$ 2
Other comprehensive income (loss)	$ 8	$ (1)	$ 7

Notes to Consolidated Financial Statements (continued)

(Dollars in millions)	Pretax Amount	Tax (Expense) Benefit	Net-of-Tax Amount
For the six months ended September 30, 2026:			
Foreign currency translation adjustments:			
Foreign currency translation adjustments	$ (23)	$ —	$ (23)
Unrealized gains (losses) on net investment hedges	(11)	—	(11)
Total foreign currency translation adjustments	$ (35)	$ —	$ (35)
Unrealized gains (losses) on cash flow hedges:			
Unrealized gains (losses) arising during the period	$ 3	$ —	$ 3
Reclassification of (gains) losses to net income	1	—	—
Total unrealized gains (losses) on cash flow hedges	$ 4	$ —	$ 3
Retirement-related benefit plans:			
Amortization of prior service costs (credits)	$ 3	$ (1)	$ 2
Amortization of net (gains) losses	1	—	1
Total retirement-related benefit plans	$ 4	$ (1)	$ 3
Other comprehensive income (loss)	$ (27)	$ (1)	$ (28)
For the six months ended September 30, 2025:			
Foreign currency translation adjustments:			
Foreign currency translation adjustments	$ 207	$ —	$ 207
Unrealized gains (losses) on net investment hedges	(138)	—	(138)
Total foreign currency translation adjustments	$ 69	$ —	$ 69
Unrealized gains (losses) on cash flow hedges:			
Unrealized gains (losses) arising during the period	$ (2)	$ —	$ (2)
Reclassification of (gains) losses to net income	1	1	1
Total unrealized gains (losses) on cash flow hedges	$ (1)	$ 1	$ —
Retirement-related benefit plans – amortization of net (gains) losses	$ 5	$ (2)	$ 4
Other comprehensive income (loss)	$ 73	$ (1)	$ 72

Notes to Consolidated Financial Statements (continued)

The following tables present 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)
July 1, 2026	$ —	$ (962)	$ (106)	$ (1,069)
Other comprehensive income (loss)	(2)	(33)	1	(34)
September 30, 2026	$ (3)	$ (995)	$ (105)	$ (1,103)
July 1, 2025	$ (6)	$ (945)	$ (143)	$ (1,094)
Other comprehensive income (loss)	6	(2)	2	7
September 30, 2025	$ —	$ (947)	$ (142)	$ (1,088)

(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)	3	(35)	3	(28)
September 30, 2026	$ (3)	$ (995)	$ (105)	$ (1,103)
April 1, 2025	$ 1	$ (1,016)	$ (145)	$ (1,160)
Other comprehensive income (loss)	—	69	4	72
September 30, 2025	$ —	$ (947)	$ (142)	$ (1,088)

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

Share Repurchase Program

In November 2024, the Company's Board of Directors authorized a share repurchase program of up to $300 million of the Company's common stock, 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 and six months ended September 30, 2026, the Company repurchased 2.5 and 7.5 million shares of its common stock at an aggregate cost of $32 and $96 million, respectively, and during the three and six months ended September 30, 2025, the Company repurchased 2.9 and 4.6 million shares of its common stock at an aggregate cost of $89 and $154 million, respectively, under the Share Repurchase Program. As announced in September 2026, to preserve financial flexibility, the Company has temporarily paused its Share Repurchase Program. As of September 30, 2026, approximately $205 million of capacity remained available under the Share Repurchase Program.

Notes to Consolidated Financial Statements (continued)

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 and six months ended September 30, 2026 and 2025.

(Dollars in millions)	Three Months Ended September 30, 2026	Three Months Ended September 30, 2025	Six Months Ended September 30, 2026	Six Months Ended September 30, 2025
Service cost	$ 8	$ 8	$ 16	$ 16
Interest cost*	16	15	33	29
Expected return on plan assets*	(16)	(16)	(32)	(31)
Amortization of prior service costs (credits)*	2	—	3	—
Recognized actuarial losses (gains)*	1	3	1	5
Net periodic pension cost	$ 11	$ 10	$ 21	$ 19

* 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 six months ended September 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.

The following table presents the segment breakout of charges incurred during the three and six months ended September 30, 2026 and 2025. These charges are recorded within workforce rebalancing charges on the Consolidated Income Statement.

(Dollars in millions)	Three Months Ended September 30, 2026	Three Months Ended September 30, 2025	Six Months Ended September 30, 2026	Six Months Ended September 30, 2025	Costs Incurred to Date Fiscal 2027 Actions	Costs Incurred to Date Fiscal 2026 Program
United States	$ 3	$ 4	$ 24	$ 10	$ 24	$ 20
Japan	5	1	14	5	14	5
Principal Markets*	8	2	48	12	48	13
Strategic Markets*	22	12	104	18	104	22
Total charges	$ 38	$ 19	$ 190	$ 44	$ 190	$ 60

* Kyndryl's operations in India transitioned from Principal Markets to Strategic Markets in the quarter ended September 30, 2026; historical segment information has been recast to reflect this change.

Notes to Consolidated Financial Statements (continued)

The following table presents the components of and changes in our workforce rebalancing liabilities during the six months ended September 30, 2026. Workforce rebalancing liabilities are recorded within other liabilities in the Consolidated Balance Sheet.

(Dollars in millions)	Workforce Fiscal 2027 Actions	Workforce Fiscal 2026 Program*
Balance at March 31, 2026	$ —	$ 4
Charges	190	—
Cash payments	(92)	(2)
Non-cash adjustments	(1)	—
Balance at September 30, 2026	$ 97	$ 2

* 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 $2 million and ending balance of $8 million related to actions initiated by and inherited from our former Parent.

Item 2.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE THREE AND SIX MONTHS ENDED SEPTEMBER 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. The Company made a minor change to its geographic reportable segments effective during the quarter ended September 30, 2026 to reflect how the Company manages its operations and measures business performance, transitioning the reporting and management of its operations in India from the Principal Markets segment to the Strategic Markets segment to strengthen coordination across the Asia Pacific region, outside of Japan. All historical reportable segment information has been recast to reflect this change.

Financial Performance Summary

(Dollars in millions)	Three Months Ended September 30, 2026	Three Months Ended September 30, 2025	Six Months Ended September 30, 2026	Six Months Ended September 30, 2025
Revenue	$ 3,651	$ 3,721	$ 7,269	$ 7,464
Revenue growth (GAAP)	(1.9)%	(1.4)%	(2.6)%	(0.7)%
Revenue growth in constant currency*	(0.8)%	(3.7)%	(2.1)%	(3.2)%
Net income	$ 59	$ 68	$ 4	$ 124
Adjusted EBITDA*	$ 699	$ 641	$ 1,211	$ 1,288

* 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)	September 30, 2026	March 31, 2026
Assets	$ 11,866	$ 12,551
Liabilities	10,689	11,259
Equity	1,176	1,293

For the three months ended September 30, 2026, we reported $3.7 billion in revenue, a decrease of 1.9 percent, and 0.8 percent in constant currency, compared to the prior-year period. United States revenue increased 9.0 percent; Japan revenue decreased 4.6 percent, and in constant currency, revenue increased 2.9 percent; Principal Markets revenue decreased 6.1 percent, and decreased 4.8 percent in constant currency; and Strategic Markets revenue decreased 4.8 percent, and decreased 6.7 percent in constant currency, in each case compared to the three months ended September 30, 2025. Net income was $59 million in the three months ended September 30, 2026 compared to net income of $68 million in the three months ended September 30, 2025.

For the six months ended September 30, 2026, we reported $7.3 billion in revenue, a decrease of 2.6 percent, and a decrease of 2.1 percent in constant currency, compared to the prior-year period. United States revenue increased 6.8 percent; Japan revenue decreased 6.1 percent, and in constant currency, revenue increased 2.4 percent; Principal Markets revenue decreased 6.6 percent, and in constant currency, revenue decreased 6.8 percent; and Strategic Markets revenue decreased 4.0 percent, and decreased 6.8 percent in constant currency, in each case compared to the six months ended September 30, 2025. During the period, Kyndryl Consult and hyperscaler-related revenues grew and overall

Management Discussion (continued)

revenue trends improved as signings gained momentum. Customer decisions involving mission-critical systems remain complex amid the pace of technological innovation and regulatory uncertainty, and factor into the sales cycle timeline. Net income was $4 million in the six months ended September 30, 2026 compared to net income of $124 million in the six months ended September 30, 2025, driven by a $146 million increase in workforce rebalancing charges and a $38 million increase in impairment expense driven by the sale of a facility in the United States, partially offset by 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, proposed U.S. government spending reductions, and AI-related developments and opportunities in our customers' industries. 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

In September, the Company completed its acquisition of Healthcare IT Leaders, an enterprise IT services provider serving hospitals and health systems across the United States, for up to $350 million, including a contingent performance-based earnout. For further 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 Company made a minor change to its geographic reportable segments effective during the quarter ended September 30, 2026 to reflect how the Company manages its operations and measures business performance, transitioning the reporting and management of its operations in India from the Principal Markets segment to the Strategic Markets segment to strengthen coordination across the Asia Pacific region, outside of Japan. All historical reportable segment information has been recast to reflect this change.

Management Discussion (continued)

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

(Dollars in millions)	Three Months Ended September 30, 2026	2025	Year-over-Year Change 2026 vs. 2025	Six Months Ended September 30, 2026	2025	Year-over-Year Change 2026 vs. 2025
Revenue						
United States	$ 980	$ 899	9.0 %	$ 1,933	$ 1,810	6.8 %
Japan	555	581	(4.6)%	1,089	1,160	(6.1)%
Principal Markets	1,177	1,254	(6.1)%	2,380	2,549	(6.6)%
Strategic Markets	939	987	(4.8)%	1,867	1,945	(4.0)%
Total revenue	$ 3,651	$ 3,721	(1.9)%	$ 7,269	$ 7,464	(2.6)%
Revenue growth in constant currency[1]	(0.8)%	(3.7)%		(2.1)%	(3.2)%	
Adjusted EBITDA[1]						
United States	$ 273	$ 195	40 %	$ 493	$ 391	26 %
Japan	108	123	(12)%	218	238	(8)%
Principal Markets	201	200	1 %	346	391	(12)%
Strategic Markets	142	152	(7)%	210	322	(35)%
Corporate and other[2]	(26)	(28)	NM	(56)	(53)	NM
Total adjusted EBITDA[1]	$ 699	$ 641	9 %	$ 1,211	$ 1,288	(6)%

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.

(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.

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 excluding income taxes, interest expense, depreciation of property, equipment and capitalized software, amortization of transition costs and prepaid software, amortization of acquisition-related intangible assets, 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

Management Discussion (continued)

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 to adjusted EBITDA:

(Dollars in millions)	Three Months Ended September 30, 2026	2025	Six Months Ended September 30, 2026	2025
Net income	$ 59	$ 68	$ 4	$ 124
Provision for income taxes	53	30	39	66
Interest expense	37	20	71	39
Depreciation of property, equipment and capitalized software	189	193	372	384
Amortization of transition costs and prepaid software[1]	323	306	655	613
Amortization of acquisition-related intangible assets[1]	6	7	13	14
Transaction-related costs (benefits)	3	—	(36)	—
Stock-based compensation expense	22	26	43	50
Impairment expense	—	—	38	—
Other adjustments[2]	7	(9)	12	(4)
Adjusted EBITDA (non-GAAP)	$ 699	$ 641	$ 1,211	$ 1,288

(1) Amounts have been recast to conform to current period presentation.
(2) 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

(Dollars in millions)	Three Months Ended September 30, 2026	2025	Six Months Ended September 30, 2026	2025
Revenue	$ 980	$ 899	$ 1,933	$ 1,810
Revenue year-over-year change	9.0 %	(6.3)%	6.8 %	(7.0)%
Adjusted EBITDA	$ 273	$ 195	$ 493	$ 391
Adjusted EBITDA year-over-year change	40 %		26 %	

For the three months ended September 30, 2026, United States revenue of $980 million increased 9.0 percent compared to the prior-year quarter, primarily driven by higher revenue from recent signings and additional resource usage under managed services contracts, and included the resolution of a commercial matter which contributed 3 points of growth in revenue. Adjusted EBITDA increased $78 million from the prior-year quarter, driven by the higher revenue and progress on our key initiatives to drive operating efficiencies, as well as the resolution of a commercial matter, which contributed 15 points of growth.

For the six months ended September 30, 2026, United States revenue of $1.9 billion increased 6.8 percent compared to the prior-year period, driven by higher revenue from recent signings. Adjusted EBITDA increased $102 million from the prior-year period, driven by the higher revenue and progress on our key initiatives to drive operating efficiencies, partially offset by a $14 million increase in workforce rebalancing charges.

Management Discussion (continued)

Japan

(Dollars in millions)	Three Months Ended September 30, 2026	2025	Six Months Ended September 30, 2026	2025
Revenue	$ 555	$ 581	$ 1,089	$ 1,160
Revenue year-over-year change	(4.6)%	(3.8)%	(6.1)%	(1.2)%
Revenue growth in constant currency	2.9 %	(4.6)%	2.4 %	(5.2)%
Adjusted EBITDA	$ 108	$ 123	$ 218	$ 238
Adjusted EBITDA year-over-year change	(12)%		(8)%	

For the three months ended September 30, 2026, Japan revenue of $555 million decreased 4.6 percent and included a 7.5-point impact from currency. Revenue growth in constant currency of 2.9 percent was primarily driven by higher revenue in Kyndryl Consult. Adjusted EBITDA decreased $15 million from the prior-year quarter, driven by lower revenue and a $4 million increase in workforce rebalancing charges.

For the six months ended September 30, 2026, Japan revenue of $1.1 billion decreased 6.1 percent and included an 8.5-point impact from currency. Revenue growth in constant currency of 2.4 percent was primarily driven by higher revenue from recent signings. Adjusted EBITDA decreased $20 million from the prior-year period, driven by lower revenue and a $9 million increase in workforce rebalancing charges.

Principal Markets

(Dollars in millions)	Three Months Ended September 30, 2026	2025	Six Months Ended September 30, 2026	2025
Revenue	$ 1,177	$ 1,254	$ 2,380	$ 2,549
Revenue year-over-year change	(6.1)%	1.3 %	(6.6)%	2.2 %
Revenue growth in constant currency	(4.8)%	(3.8)%	(6.8)%	(2.1)%
Adjusted EBITDA	$ 201	$ 200	$ 346	$ 391
Adjusted EBITDA year-over-year change	1 %		(12)%	

For the three months ended September 30, 2026, Principal Markets revenue of $1.2 billion decreased 6.1 percent, and decreased 4.8 percent in constant currency, compared to the prior-year quarter, which primarily reflects the completion of lower-margin customer projects and contracts. Adjusted EBITDA increased $1 million from the prior-year quarter.

For the six months ended September 30, 2026, Principal Markets revenue of $2.4 billion decreased 6.6 percent compared to the prior-year period, which primarily reflects the completion of lower-margin customer projects and contracts. Adjusted EBITDA decreased $45 million from the prior-year period, primarily driven by a $36 million increase in workforce rebalancing charges and lower revenue.

Strategic Markets

(Dollars in millions)	Three Months Ended September 30, 2026	2025	Six Months Ended September 30, 2026	2025
Revenue	$ 939	$ 987	$ 1,867	$ 1,945
Revenue year-over-year change	(4.8)%	1.6 %	(4.0)%	2.5 %
Revenue growth in constant currency	(6.7)%	(0.4)%	(6.8)%	0.6 %
Adjusted EBITDA	$ 142	$ 152	$ 210	$ 322
Adjusted EBITDA year-over-year change	(7)%		(35)%	

For the three months ended September 30, 2026, Strategic Markets revenue of $939 million decreased 4.8 percent and included a 1.9-point impact from currency. Revenue decreased 6.7 percent in constant currency, compared

Management Discussion (continued)

to the prior-year quarter, primarily driven by the completion of customer projects and contracts. Adjusted EBITDA decreased $10 million from the prior-year quarter, primarily driven by progress on our key initiatives to drive operating efficiencies.

For the six months ended September 30, 2026, Strategic Markets revenue of $1.9 billion decreased 4.0 percent and included a 2.8-point impact from currency. Revenue decreased 6.8 percent in constant currency, compared to the prior-year period, primarily driven by the completion of customer projects and contracts. Adjusted EBITDA decreased $112 million from the prior-year period, driven by an $86 million increase in workforce rebalancing charges and lower revenue.

Corporate and Other

Corporate and other was a net expense of $26 million in the three months ended September 30, 2026, compared to $28 million in the three months ended September 30, 2025. Corporate and other was a net expense of $56 million in the six months ended September 30, 2026, compared to $53 million in the six months ended September 30, 2025.

Costs and Expenses

(Dollars in millions)	Three Months Ended September 30, 2026	2025	Percent of Revenue 2026	2025	Change 2026 vs. 2025
Revenue	$ 3,651	$ 3,721	100.0 %	100.0 %	(1.9)%
Cost of services	2,794	2,920	76.5 %	78.5 %	(4)%
Selling, general and administrative expenses	669	659	18.3 %	17.7 %	2 %
Workforce rebalancing charges	38	19	1.0 %	0.5 %	100 %
Transaction-related costs (benefits)	3	—	0.1 %	0.0 %	NM
Interest expense	37	20	1.0 %	0.5 %	87 %
Other expense (income)	(1)	5	0.0%	0.1 %	NM
Income before income taxes	$ 112	$ 98			

NM – not meaningful

Cost of services was 76.5% of revenue in the three months ended September 30, 2026, compared to 78.5% in the three months ended September 30, 2025, driven by progress on our key initiatives to drive operating efficiencies. Selling, general and administrative expenses were 18.3% of revenue in the three months ended September 30, 2026 compared to 17.7% in the prior-year quarter, driven by lower revenue. Workforce rebalancing charges were 1.0% of revenue in the three months ended September 30, 2026 compared to 0.5% of revenue in the prior-year quarter. Interest expense was 1.0% of revenue in the three months ended September 30, 2026 compared to 0.5% in the prior-year quarter, driven by interest on borrowings drawn under our Revolving Credit Agreement in February 2026.

Management Discussion (continued)

(Dollars in millions)	Six Months Ended September 30, 2026	2025	Percent of Revenue 2026	2025	Change 2026 vs. 2025
Revenue	$ 7,269	$ 7,464	100.0 %	100.0 %	(2.6)%
Cost of services	5,636	5,867	77.5 %	78.6 %	(4)%
Selling, general and administrative expenses	1,337	1,305	18.4 %	17.5 %	3 %
Workforce rebalancing charges	190	44	2.6 %	0.6 %	328 %
Transaction-related costs (benefits)	(36)	—	(0.5)%	0.0 %	NM
Impairment expense	38	—	0.5 %	0.0 %	NM
Interest expense	71	39	1.0 %	0.5 %	81 %
Other expense (income)	(11)	18	(0.1)%	0.2 %	NM
Income before income taxes	$ 43	$ 190			

NM – not meaningful

Cost of services was 77.5% of revenue in the six months ended September 30, 2026, compared to 78.6% in the six months ended September 30, 2025, driven by progress on our key initiatives to drive operating efficiencies. Selling, general and administrative expenses were 18.4% of revenue in the six months ended September 30, 2026 compared to 17.5% in the prior-year period, driven by lower revenue and increased expenses to support future growth. Workforce rebalancing charges were 2.6% of revenue in the six months ended September 30, 2026 compared to 0.6% of revenue in the prior-year period. Transaction-related costs (benefits) were (0.5)% of revenue in the six months ended September 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 0.5.% of revenue in the six months ended September 30, 2026 driven by the sale of a facility in the United States. Interest expense was 1.0% of revenue in the six months ended September 30, 2026 compared to 0.5% in the prior-year period, driven by interest on borrowings drawn under our Revolving Credit Agreement in February 2026. Other expense (income) was (0.1)% of revenue in the six months ended September 30, 2026, which was driven by net exchange gains, compared to 0.2% of revenue in the six months ended September 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 six months ended September 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 $38 million and $190 million for the three and six months ended September 30, 2026, respectively.

Total cash outlays for this program are expected to be approximately $200 million, of which approximately $92 million has been paid through September 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 included in Cost of services and Selling, general and administrative 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 $58 million has been paid through September 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 September 30, 2026 was $53 million, compared to $30 million for the three months ended September 30, 2025. The provision for income taxes for the six months ended September 30, 2026 was $39 million, compared to $66 million for the six months ended September 30, 2025. The income tax expense was primarily attributable to taxes on foreign operations, uncertain tax positions, and valuation allowances recorded in certain jurisdictions. For the six months ended September 30, 2026, income tax expense was additionally impacted by the finalization of the prior-year income tax returns.

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.

The Company is engaged in various tax matters in multiple jurisdictions that remain subject to examination, negotiation, or other administrative proceedings. It is reasonably possible that the amount of unrecognized tax benefits associated with these matters could significantly increase or decrease within the next twelve months as these matters progress. However, due to the uncertainty surrounding the timing and ultimate resolution of these matters, the Company cannot reasonably estimate the range of any potential change at this time.

Financial Position Dynamics

Total assets of $11.9 billion decreased by $686 million (and decreased by $668 million adjusted for currency) from March 31, 2026, primarily driven by a decrease in cash and cash equivalents of $964 million mainly due to cash used in operating activities of $137 million, cash used in investing activities of $568 million, and cash used in financing activities of $242 million. This was partially offset by an increase in goodwill of $133 million and an increase in intangible assets of $162 million due to the acquisition of Healthcare IT Leaders.

Management Discussion (continued)

Total liabilities of $10.7 billion decreased by $569 million (and decreased by $570 million adjusted for currency) from March 31, 2026, primarily driven by a decrease in accounts payable of $352 million primarily due to annual and multi-year software subscription and renewal payments.

Total equity of $1.2 billion decreased by $116 million from March 31, 2026, principally due to $96 million of share repurchases under our Share Repurchase Program.

Liquidity and Capital Resources

We believe that our existing cash and cash equivalents, together with access to the capital markets, our revolving credit facility and other available methods of debt financing, such as commercial paper borrowings, will be sufficient to meet our anticipated operating cash needs, and to fund our planned capital investments and debt maturities for at least the next twelve months. As of September 30, 2026, we had cash and cash equivalents of approximately $1.7 billion and $3.15 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, business acquisitions and stock repurchases. 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. In November 2026, we established a commercial paper program, backstopped by our revolving credit facility, under which we may issue short-term commercial paper notes from time to time, supplementing and further diversifying our sources of liquidity and providing additional flexibility to manage our short-term funding needs.

Our capital allocation priorities are focused on financial flexibility with strong liquidity, including to invest in strategic growth initiatives and maintaining our investment-grade ratings. Consistent with these priorities, in September 2026, we completed the acquisition of Healthcare IT Leaders with cash on hand and temporarily paused our stock repurchase program to preserve financial flexibility. We also completed a $1 billion registered offering of 3- and 5-year notes in September 2026, using the net proceeds to repay debt and extending our debt maturity profile.

Together, these decisions reflect our disciplined approach to managing our capital structure and support our liquidity. 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 prepaid software subscriptions and incentive payments. On a continuing basis, we also consider various transactions to increase stockholder value and enhance our business results, including acquisitions and divestitures, as well as productivity and other efficiency initiatives, that may result in future cash proceeds or payments.

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.

Management Discussion (continued)

Cash Flow

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

(Dollars in millions)	Six Months Ended September 30, 2026	2025
Net cash provided by (used in):		
Operating activities	$ (137)	$ 22
Investing activities	(568)	(196)
Financing activities	(242)	(310)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(6)	30
Net change in cash, cash equivalents and restricted cash	$ (953)	$ (453)

Net cash used by operating activities was $137 million in the six months ended September 30, 2026, which primarily reflects payments for multi-year renewals and annual prepaid software subscriptions and incentive compensation payments. This compares to cash provided by operating activities of $22 million in the prior-year period. The year-over-year decrease in cash provided by in operating activities is mainly due to the timing of working capital, including higher software payments of $187 million, primarily for multi-year renewals and annual prepaid software subscriptions, and the timing of advance customer billings of $92 million and higher workforce rebalancing payments of $51 million, partially offset by lower annual incentive compensation payments in the current year of $187 million.

Net cash used in investing activities was $568 million in the six months ended September 30, 2026, compared to $196 million in the prior-year period, primarily due to a $307 million use of cash for the acquisition of Healthcare IT Leaders, partially offset by $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 $242 million in the six months ended September 30, 2026, compared to $310 million in the prior-year period, mainly due to proceeds from issuance of debt, net of debt issuance costs of $986 million, lower shares repurchased to settle tax withholdings related to the vesting of stock-based awards of $69 million, and lower common stock repurchases of $54 million, partially offset by repayment of the revolving credit facility of $1.0 billion and higher debt repayments of $18 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.

In September 2026, we completed a registered offering of $600 million aggregate principal amount of 7.80% senior unsecured notes due 2029 (the “2029 Notes”) and $400 million aggregate principal amount of 7.875% senior unsecured notes due 2032 (the “2032 Notes”). We received net proceeds of approximately $595 million from the issuance of the 2029 Notes and approximately $391 million from the issuance of the 2032 Notes, after deducting

Management Discussion (continued)

discounts and debt issuance costs. The interest rate payable on these notes will be subject to adjustment from time to time if any of Moody's, S&P or Fitch downgrades (or subsequently upgrades) the debt rating applicable to these notes. The 2029 Notes and 2032 Notes are the Company's senior unsecured obligations and rank equally in right of payment among themselves and with all of the Company's other existing and future senior unsecured indebtedness.

The Initial Notes, the 2029 Notes, the 2032 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.

In October 2026, we repaid at maturity the $700 million aggregate principal amount of our 2.05% senior notes due 2026, which were outstanding as of September 30, 2026, using the net proceeds from the offerings of the 2029 and 2032 Notes.

Commercial Paper Program

In November 2026, the Company established a commercial paper program, under which we may issue short-term paper notes from time to time of up to a maximum aggregate principal amount of $3.15 billion, with maturities of up to 397 days from the date of issue. The notes will be sold under customary terms in the commercial paper market. The proceeds from the issuance of any notes under the program will be used for general corporate purposes. The commercial paper program is backed by the revolving credit facility, and any commercial paper borrowings will reduce the available capacity under the Revolving Credit Agreement. The Company has not initiated any borrowings under this program.

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, which was repaid in full in September, and there was no outstanding borrowing under the Revolving Credit Agreement as of September 30, 2026.

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. This agreement includes a $600 million committed facility and an incremental $200 million uncommitted facility that is subject to the counterparty's sole discretion to purchase incremental amounts. This agreement was amended in August 2026 to extend the expiration date from April 2027 to October 2027, after which the agreement automatically resets to a term of 18 months after every six months, unless either party elects not to extend. 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 $160 million as of September 30, 2026. In aggregate, we have committed facilities of up to approximately $760 million as of September 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 $539 million and $1.1 billion for the three and six months ended September 30, 2026, respectively, and $563 million and $1.2 billion for the three and six months ended September 30, 2025, respectively. The fees associated with the transfers of receivables were $5 million and $9 million for the three and six months ended September 30, 2026, and were $5 million and $10 million for the three and six months ended September 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 September 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 September 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 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 and six months ended September 30, 2026, the Company repurchased 2.5 and 7.5 million shares of its common stock at an aggregate cost of $32 and $96 million, respectively, and during the three and six months ended September 30, 2025, the Company repurchased 2.9 and 4.6 million shares of its common stock at an aggregate cost of $89 and $154 million, respectively, under the Share Repurchase Program. As announced in September 2026, to preserve financial flexibility, the Company has temporarily paused its Share Repurchase Program. As of September 30, 2026, approximately $205 million of capacity remained available under the Share Repurchase Program.

Management Discussion (continued)

Other Information

Signings

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

(Dollars in billions)	Three Months Ended September 30,		Six Months Ended September 30,	
	2026	2025	2026	2025
Total signings	$ 4.1	$ 2.8	$ 8.0	$ 6.0

Signings increased by $1.3 billion in the three months ended September 30, 2026, or 46%, compared to the prior-year quarter, with year-over-year increases in Japan, Principal Markets and Strategic Markets segments. Signings increased by $2.0 billion in the six months ended September 30, 2026, or 33%, compared to the prior-year period, with year-over-year increases in each segment. 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").

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;

Management Discussion (continued)

- 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.

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.

Management Discussion (continued)

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 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 September 30, 2026, the end of the period covered by this report. Based on that evaluation, the Chief Executive Officer and the Chief Financial Officer have concluded that the Company's disclosure controls and procedures were not effective as of September 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 developed a comprehensive remediation plan, including continued focus on strengthening the Company's control environment and disclosure processes. In the second quarter of fiscal 2027, management completed the design and implementation of enhanced controls to address the material weaknesses, and is now testing the operating effectiveness of such controls. The Company's enhancements to its internal control over financial reporting notably include:

- *enhanced disclosure controls and procedures related to communication and information sharing* – by developing a more detailed reporting and internal review processes, evaluating and integrating opportunities for enhancement in our periodic disclosure processes, and formalizing forums, including additional meetings as appropriate, 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 enhancing controls concerning information communicated regarding the application of 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, and enhancing the subcertification process;
- *enhanced training program* – by providing updated training on, and instituting future periodic training sessions regarding, 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 and other personnel; and
- *implemented enhancements to the controls, policies, procedures and trainings related 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.

The Company has devoted substantial resources to, and continues to work diligently on, executing 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 September 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 September 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)
July 1 - 31	1,786,936	$ 12.38	1,786,936	$ 216
August 1 - 31	729,474	13.87	729,474	205
September 1 - 30	—		—	205
Total	2,516,410		2,516,410	

(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. As announced in September 2026, to preserve financial flexibility, the Company has temporarily paused its Share Repurchase Program. 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 September 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.

In November 2026, the Company established a commercial paper program, under which we may issue short-term paper notes from time to time of up to a maximum aggregate principal amount of $3.15 billion, with maturities of up to 397 days from the date of issue. The notes will be sold under customary terms in the commercial paper market. The proceeds from the issuance of any notes under the program will be used for general corporate purposes. The commercial paper program will be backed by the revolving credit facility, and any commercial paper borrowings will

reduce the available capacity under the Revolving Credit Agreement. The Company has not initiated any borrowings under this program.

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.
4.1	Third Supplemental Indenture, dated as of September 28, 2026, between Kyndryl Holdings, Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee, including form of note, was filed as Exhibit 4.2 to the registrant's Current Report on Form 8-K filed on September 28, 2026, and is hereby incorporated by reference.
4.2	Fourth Supplemental Indenture, dated as of September 28, 2026, between Kyndryl Holdings, Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee, including form of note, was filed as Exhibit 4.3 to the registrant's Current Report on Form 8-K filed on September 28, 2026, and is hereby incorporated by reference.
10.1	Amended and Restated Kyndryl 2021 Long-Term Performance Plan was filed as Exhibit 10.1 to the Company's Current Report on Form 8-K filed on July 31, 2026, and is hereby incorporated by reference.
10.2	Seventh Amendment to Amended and Restated Receivable Purchase Agreement, dated August 7, 2026, by and among Banco Santander S.A., Kyndryl, Inc. and the registrant (filed herewith)
10.3	Kyndryl 2026 Employment Inducement Equity Incentive Plan ("Inducement Equity Plan") (incorporated by reference to Exhibit 4.4 to the Company's registration statement on Form S-8 filed on August 5, 2026).
10.4	Form of Inducement Equity Plan equity award agreement for performance share units (filed herewith)
10.5	Form of Inducement Equity Plan award agreement for restricted stock units (filed herewith)
10.6	Form of Inducement Equity Plan award agreement for retention restricted stock units (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: November 4, 2026

By: /s/ Ellen Johnson

Ellen Johnson
Chief Financial Officer (Principal Financial Officer and Authorized Signatory)

THIS SEVENTH AMENDMENT TO AMENDED AND RESTATED RECEIVABLES PURCHASE AGREEMENT (this "**Amendment**"), dated as of August 7, 2026 (the "**Amendment Effective Date**"), is entered into by and among Banco Santander S.A. ("**Santander**"), Kyndryl, Inc., a Delaware corporation ("**Kyndryl**"), and Kyndryl Holdings Inc., a Delaware corporation ("**Parent**"). This Amendment amends that certain Amended and Restated Receivables Purchase Agreement, dated as of October 28, 2021, as amended by the First Amendment to Amended and Restated Receivables Purchase Agreement dated January 26, 2022, the Second Amendment to Amended and Restated Receivables Purchase Agreement dated September 21, 2022, the Third Amendment to Amended and Restated Receivables Purchase Agreement dated December 21, 2022, the Fourth Amendment to Amended and Restated Receivables Purchase Agreement dated July 26, 2024, the Fifth Amendment to Amended and Restated Receivables Purchase Agreement dated February 4, 2026, and the Sixth Amendment to Amended and Restated Receivables Purchase Agreement dated May 1, 2026 (collectively, the "**Agreement**"), among, *inter alia*, Kyndryl, Santander, and solely for purposes of Section 13.19 thereof, Parent.

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

A. **Defined Terms.** All initially capitalized terms used herein without definition shall have the respective meanings ascribed thereto in the Agreement, as amended hereby.

B. **Amendments to the Agreement.** The Agreement is hereby amended as follows:

1. The following definition of "Incremental Facility Activation Notice" shall be included in alphabetical order in Appendix A (*Certain Defined Terms*) of the Agreement as set forth below:

   "Incremental Facility Activation Notice" means a notice substantially in the form outlined in Exhibit C (*Incremental Facility Activation Notice*) or in such other form and substance satisfactory to the Purchaser, pursuant to which Kyndryl may request an increase or decrease of the Facility Limit.

2. The following definitions in Appendix A (*Certain Defined Terms*) of the Agreement shall be amended as set forth below:

   "Facility Limit" means, at any time, USD 600,000,000, as such amount may be adjusted from time to time pursuant to Section 2.9, by all or any portion of the Incremental Facility Limit and as such amount may be otherwise modified in accordance with this Agreement.

   "Incremental Facility Limit" means USD 200,000,000, less the aggregate amount of any increases plus the aggregate amount of any decreases to the Facility Limit made through Incremental Facility Activation Notices pursuant to Section 2.9.

3. The definition of "Facility Limit Threshold" is deleted in its entirety.

   (a) Section 2.1 (Committed Facility; Facility Limit) of the Agreement is hereby amended by deleting the last sentence in its entirety, which for avoidance of doubt reads as follows:

If the daily average Aggregate EPP Balance plus the average Aggregate Non-EPP Balance (as applicable) for any successive three-month period falls below the Facility Limit Threshold, Purchaser, in its sole discretion, shall be entitled to reduce the Facility Limit down to not less than 10% above such aggregate daily average Aggregate EPP Balance plus daily average Aggregate Non-EPP Balance; or such higher amount the Purchaser selects, provided that the Purchaser shall provide Kyndryl notice of such reduction at least thirty (30) days prior to the reduction of the Facility Limit.

(b) The Agreement is hereby amended to delete all references to "Facility Limit Threshold," and such term shall have no further force or effect.

4. A new Section 2.9 (*Incremental Facility Limit*) shall be included in order in the wording of the Agreement reading as set forth below:

2.9 Incremental Facility Limit. At any time during the Availability Period, Kyndryl may request that the Facility Limit be increased or decreased by all or any portion of the Incremental Facility Limit by delivering written notice to the Purchaser substantially in the form of an Incremental Facility Activation Notice, which may be provided via email transmission from Seller to Purchaser (using any of the email addresses listed for each such Person on Schedule 1). Each Incremental Facility Activation Notice shall specify the requested amount of such adjustment, which shall not exceed the then existing Incremental Facility Limit, and the proposed effective date of such adjustment, which shall be no earlier than five (5) Business Days after the date of delivery of such Incremental Facility Activation Notice.

Upon receipt of an Incremental Facility Activation Notice, the Purchaser shall accept such request (which may be provided via email transmission from Purchaser to Seller (using any of the email addresses listed for each such Person on Schedule 1)) and the Facility Limit shall be adjusted by the amount specified therein with effect from the date specified in such Incremental Facility Activation Notice, provided that:

(a) no Purchase Termination Date has occurred;

(b) no Purchaser Termination Event has occurred and is continuing;

(c) immediately after giving effect to any such increase, the Facility Limit shall not exceed the sum of the Facility Limit in effect immediately prior to such increase plus the Incremental Facility Limit; and

(d) Kyndryl and the Purchaser shall have amended, supplemented or otherwise modified the applicable Transaction Documents, including the Fee Letter, to reflect the Facility Limit as so increased or decreased, in each case to the extent necessary or reasonably desirable to give effect to such adjustment.

For the avoidance of doubt, any increase of the Facility Limit pursuant to this Section 2.9 shall reduce the unused Incremental Facility Limit on a

dollar-for-dollar basis, and any decrease of the Facility Limit shall restore the unused Incremental Facility Limit on a dollar-for-dollar basis, in each case subject to the maximum Incremental Facility Limit. Following the effectiveness of any such increase or decrease, all references in this Agreement and the other Transaction Documents to the Facility Limit shall be deemed to refer to the Facility Limit as so adjusted. Following any adjustment of the Facility Limit pursuant to this Section 2.9, Kyndryl and the Purchaser may, by mutual written agreement, reduce the Facility Limit to any amount not less than USD 600,000,000. Any such reduction shall be effective on the date agreed in writing by the parties and shall restore the unused Incremental Facility Limit by the amount of such reduction, up to the full Incremental Facility Limit.

5. The List of Schedules and Exhibits of the Agreement shall be amended reading as set forth below:

List of Schedules and Exhibits

SCHEDULES

Schedule 1	Addresses for Notices
Schedule 2	Seller Schedule
Schedule 3	[Reserved]
Schedule 4-A	Currency and Interest Rate Information
Schedule 4-B	Effect of Benchmark Transition Event
Schedule 5	Performance Triggers
Schedule 6	Seller Accounts (Purchase Price Payments and Collection Remittances)
Schedule 7	Purchaser Accounts

EXHIBITS

Exhibit A	Administrative and Collection Functions
Exhibit B	Form of Participation Agreement
Exhibit C	Incremental Facility Activation Notice

6. A new Exhibit C (*Incremental Facility Activation Notice*) shall be included in the Agreement reading as set forth in Exhibit C attached thereto.

7. In Section 2.3 (Term of Agreement), add the following to the end:

Notwithstanding anything to the contrary in this Section 2.3, neither Kyndryl nor the Purchaser may elect a Purchase Termination Date pursuant to Section 2.3 (iii) of the Agreement that is earlier than October 27, 2027, and any notice delivered pursuant to Section 2.3 (iii)(B) of the Agreement shall specify a Purchase Termination Date that is no earlier than October 27, 2027. Thereafter, if no Purchase Termination Date has been declared prior thereto, the permissible selection date shall continue to roll on a six-month basis in accordance with Section 2.3 (iii)(A)(2) of the Agreement. Without limiting the foregoing, the notice delivered by Purchaser to Kyndryl on May 1, 2026 electing April 28, 2027 as the Purchase Termination Date (‘Prior Termination Notice’) is hereby revoked, withdrawn, superseded and of no further force or effect.

C. **Representations and Warranties.** Each of Parent and Kyndryl hereby represents and warrants as of the Amendment Effective Date as follows:

1. Both immediately before and immediately after giving effect to this Amendment, the representations and warranties set forth in the Agreement and each other Transaction Document (including, without limitation, each Participation Agreement executed on or prior to the date hereof) are true and correct on and as of the date hereof, as though made on the date hereof (except to the extent that such representations and warranties expressly relate solely to an earlier date, in which case such representations and warranties shall be true and correct as of such earlier date).

2. To the extent that notice to or the consent, acceptance, acknowledgement or approval of any Seller (other than Kyndryl) is required pursuant to the applicable Participation Agreement to which it is party to effectuate any amendment to or modification of the Agreement, as incorporated by reference into such Participation Agreement, such Seller has received such notice or provided such consent, acceptance, acknowledgement or approval (collectively, the "Required Consents") and Kyndryl is executing this Agreement on behalf of itself and each such other Seller. Kyndryl will provide a copy of this Agreement to each other Seller (whether or not consent hereto is required by any such other Seller).

3. Both immediately before and immediately after giving effect to this Amendment, the representations and warranties set forth in subsections (b) through (i) of Section 6.1 of the Agreement are true and correct with respect to Parent in connection with its obligations under Section 13.19 of the Agreement, as if each reference in such representations and warranties to "Seller" were a reference to "Parent" for purposes hereof.

4. Each of Parent, Kyndryl and each other Seller has the organizational power and authority to execute (if applicable) and be bound by the terms and provisions of this Amendment (and any applicable Required Consent to which any other Seller is a signatory) and each of them has taken all necessary organizational action to authorize and approve the execution and delivery (to the extent applicable) and performance of this Amendment and the Agreement, as amended hereby (and, in the case of each Seller other than Kyndryl, as the Agreement, as amended hereby, is incorporated into the Participation Agreement to which it is a party), and the foregoing constitutes the legal, valid, and binding obligation of such party, enforceable against such party in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency or similar laws affecting creditors' rights generally and subject to general principles of equity.

5. No Triggering Event, Purchaser Termination Event, or event that with the giving of notice, or lapse of time or both would give rise to a Triggering Event or Purchaser Termination Event has occurred, in each such case, both immediately before and immediately after giving effect to this Amendment.

6. No Insolvency Event has occurred with respect to Parent, Kyndryl or any other Seller.

D. **Additional Terms.** The parties hereto further agree to the following terms:

1. This Amendment shall be effective solely for the specific purpose for which it is given and shall not create a course of dealing between the parties in any respect. The execution, delivery, and performance of this Amendment shall not operate, except as expressly set forth herein, as a waiver of, consent to, or a modification or amendment of, any right, power, or remedy of Purchaser under the Agreement, any Participation Agreement, or any other Transaction Document. Except for the amendments to the Agreement expressly set forth herein (and as the Agreement, as amended hereby, is incorporated by reference into each Participation Agreement), the Agreement, each Participation Agreement and each other Transaction Document shall remain unchanged and in full force and effect in accordance with their respective terms and are hereby ratified and confirmed in all respects.

2. Upon and after the effectiveness of this Amendment, each reference in the Agreement to "this Agreement", "hereunder", "herein", "hereof" or words of like import referring to the Agreement, and each reference in any Participation Agreement or any other Transaction Document to "the Receivables Purchase Agreement", "the Amended and Restated Receivables Purchase Agreement", "thereunder", "therein", "thereof" or words of like import referring to the Agreement, shall mean and be a reference to the Agreement as modified and amended hereby.

3. This Amendment, and the terms and provisions hereof, the Agreement (as amended hereby) and the other Transaction Documents (after giving effect to this Amendment) constitute the entire understanding and agreement between the parties hereto or thereto with respect to the subject matter hereof and thereof and supersede any and all prior or contemporaneous amendments or understandings with respect to the subject matter hereof, whether express or implied, oral or written. The terms and provisions of this Amendment shall prevail over any conflicting terms of any other Transaction Document.

4. Each of Parent and Kyndryl, on behalf of itself and each other Seller, hereby (i) reaffirms its obligations under each Transaction Document to which it is a party after giving effect to the terms and provisions of this Amendment and (ii) ratifies and reaffirms the validity, enforceability, perfection and first priority ownership interest of the Purchaser in, to and under each Purchased Receivable transferred pursuant to the Agreement or any Participation Agreement, as applicable.

5. If any provision in this Amendment shall be invalid, illegal or unenforceable, such provision shall be severable from the remainder of this Amendment and the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

6. SECTIONS 13.9, 13.10 AND 13.11 OF THE AGREEMENT (GOVERNING LAW, SUBMISSION TO JURISDICTION AND WAIVER OF JURY TRIAL) ARE HEREBY INCORPORATED HEREIN *MUTATIS MUTANDIS* AS IF SET FORTH IN FULL HEREIN.

7. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, taken together, shall constitute but one and the same agreement. Delivery of an executed counterpart of this Amendment by facsimile or other electronic method of transmission shall be equally effective as delivery of an original executed counterpart of this Amendment.

[Signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed and delivered as of the date first above written.

BANCO SANTANDER, S.A., as Purchaser

By: /s/ Javier Moreno Garcia
Name: Javier Moreno Garcia
Title: Executive Director

By: /s/ Angel Herrera
Name: Angel Herrera Martinez
Title: Executive Director

KYNDRYL, INC., as Seller

By: /s/ Ann Schlaffman
Name: Ann Schlaffman
Title: Vice President, Associate General Counsel and Assistant Secretary

KYNDRYL HOLDINGS, INC., solely for purposes of Section 13.19 of the Receivables Purchase Agreement, as Parent

By: /s/ Ann Schlaffman
Name: Ann Schlaffman
Title: Vice President, Associate General Counsel and Assistant Secretary

EXHIBIT C

Incremental Facility Activation Notice

To: **BANCO SANTANDER, S.A.**
Ciudad Grupo Santander
Av. de Cantabria s/n, Edificio Marisma, planta 2
28660 Boadilla del Monte
Madrid, Spain
(the "**Purchaser**")

Date: [●]

Dear Sirs,

Reference is made to that certain Receivables Purchase Agreement between Kyndryl, Inc. and Banco Santander S.A. dated as of October 28, 2021 (as amended from time to time, and including the Exhibits, Schedules or other supplements thereto, the "Agreement"). Capitalized terms used but not defined herein have the meanings assigned to such terms in the Agreement.

Pursuant to Section 2.9 of the Agreement, Kyndryl hereby requests that the Facility Limit be [increased/decreased] by USD [●], from USD [●] to USD [●], effective as of [●], which date shall be no earlier than five (5) Business Days after the date of this Incremental Facility Activation Notice. Kyndryl confirms that the requested adjustment does not exceed the then existing Incremental Facility Limit.

Upon effectiveness of such increase, the unused Incremental Facility Limit shall be USD [●].

Yours faithfully,

KYNDRYL, INC., as Seller

By: _____
Name:
Title:

ACKNOWLEDGEMENT AND ACCEPTANCE:

We acknowledge and agree to the terms of the above Incremental Facility Activation Notice. Further, subject to your compliance with terms of the Agreement, the Facility Limit shall be adjusted to USD [●] and the Incremental Facility Limit shall be adjusted to USD [●].

Yours faithfully,

BANCO SANTANDER, S.A., as Purchaser

By: _____
Name:
Title:

By: _____
Name:
Title:

Kyndryl Holdings, Inc.

Performance Share Units Equity Award Agreement
Confidential

Plan **Kyndryl 2026 Employment Inducement Equity Incentive Plan (the "Plan")**

Award Type **Performance Share Units, Cash-Settled Performance Share Units (the "PSUs")**

Purpose This award of PSUs (this "Award") is being granted as an "inducement grant" pursuant to the Kyndryl 2026 Inducement Plan. You recognize that this Award represents a potentially significant benefit to you and is awarded for the purpose stated here. This Award is made pursuant to the employment inducement award exemption under NYSE Listed Company Manual Section 303A.08.

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

Awarded to
Home Country
Global ID **[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 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 of Grant	Performance Goal	Performance Goal Weighting*	# PSUs Awarded (at Target)	Performance Period	Date of Payout
	Adjusted Operating Cash Flow	100%			

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

Vesting 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 _____ and ending on _____ 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 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 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 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, Colombia, 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 Restatement 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 Clawback Policy) to the Company to the extent required by, and in a manner consistent with, the Financial Restatement Clawback 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 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 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, 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 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, including this 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, 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 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 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; (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 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.

B. Death or Disability

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.

C. Leave of Absence

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. Dividend Equivalents

PSUs do not provide for dividends.

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. **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 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 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 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 Plan will apply if you engage in (1) any Detrimental Activity as described in Section 13(a) of the Plan prior to your employment relationship ending with the Company or (2) any Detrimental Activity described in Section 13(a) of the 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 Plan.

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 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 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 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 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

Kyndryl Holdings, Inc.

Exhibit A to PSU Equity Award Agreement

Vesting; Calculating Achievement of Performance Criteria

You can earn the PSUs awarded above based on Kyndryl's performance in achieving during the Performance Period the performance criteria set forth in materials presented to and approved by the Committee and described below. As soon as practicable following the completion of the Performance Period, the Committee shall determine, in its sole discretion, the achievement with respect to the performance criteria described below and will calculate the "% of Target Payout" based on the actual level of achievement of the performance criteria. The performance criteria shall not be achieved and no PSUs shall be vested until the Committee certifies in writing the extent to which the performance criteria have been achieved. All determinations with respect to whether, and the extent to which, the performance criteria have been achieved shall be made by the Committee in its sole discretion.

The number of PSUs that are eligible to be earned shall be based on the Committee's certification of the achievement of the performance criteria established by the Committee, with the number of PSUs earned in respect of achievement of the performance criteria equal to the product of (1) the target number of PSUs awarded times (2) the applicable "% of Target Payout" achieved with respect to the performance criteria, and further adjusted for the TSR modifier described below. The number of PSUs earned shall be rounded up or down to the nearest whole PSU.

If the actual performance with respect to the performance criteria determined by the Committee is between (i) the "Threshold" and "Target" or "Target Range" (as applicable) levels of achievement or (ii) the "Target" or "Target Range" (as applicable) and "Maximum" levels of achievement, then the "% of Target Payout" shall be determined by linear interpolation (and rounded to the nearest tenth of a whole percent).

Any PSUs that do not become vested based on the actual achievement of the performance criteria during the Performance Period will be forfeited for no consideration therefore as of the Date of Payout.

Performance Criteria

I. Adjusted Operating Cash Flow - 100% Weighting

"Adjusted Operating Cash Flow" is defined as cash flows from operating activities (GAAP) after adding back transaction-related payments, charges related to lease terminations, payments related to workforce rebalancing charges incurred prior to March 31, 2024, and significant litigation payments.

Level of Achievement	**Below Threshold**	**Threshold**	**Target**	**Maximum**
Goal Attainment %	< 80%	80%	100%	120%
% of Target Payout (excl. rTSR Modifier)	0%	50%	100%	150%

A. Relative TSR Modifier

The Adjusted Operating Cash Flow is subject to a payout modifier based on the percentile rank of Kyndryl's total shareholder return relative to the comparison group of companies (the "Peer Group," and each member thereof, a "Peer Company" and such percentile rank, "Relative TSR") during the performance period beginning on _____, and ending on _____. For purposes of determining Relative TSR, the Peer Group will consist of the constituents of the S&P 400 Mid-Cap Index as of _____.

As shown below, there will be a 20% reduction in your payout if the Relative TSR ranks at or below the 25th percentile, a 20% increase if we rank at or above the 75th percentile, and an adjustment determined on a linear basis if we rank in between these levels.

Level of Achievement	Minimum	Target	Maximum
Goal Attainment % of rTSR Rank	25th Percentile	100%	75th Percentile
Modifier Adjustment Percent Applied to AOCF Performance	-20%	No Adjustment	+20%

Each Peer Company's total shareholder return ("TSR") will be measured over the Performance Period using the following equation:

"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 10.5

Kyndryl Holdings, Inc.

Restricted Stock Units Equity Award Agreement

Plan	**Kyndryl 2026 Employment Inducement Equity Incentive Plan (the "Plan")**
Award Type	**[Restricted Stock Units, Cash-Settled Restricted Stock Units] (the "RSUs")**
Purpose	This award of RSUs (this "Award") is being granted as an "inducement grant" pursuant to the Kyndryl 2026 Inducement Plan. You recognize that this Award represents a potentially significant benefit to you and is awarded for the purpose stated here. This Award is made pursuant to the employment inducement award exemption under NYSE Listed Company Manual Section 303A.08. 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 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
[Vest Date 1]	
[Vest Date 2]	
[Vest Date 3]	
[Vest Date 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 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 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, Colombia, 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 Clawback Policy) to the Company to the extent required by, and in a manner consistent with, the Financial Restatement Clawback 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, 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 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, including this 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, 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 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 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; (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 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.

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 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:

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 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, 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 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 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 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 as 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.

14. 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.

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 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.

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 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.

19. 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.

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/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).

21. 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.

22. 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.

23. 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 10.6

Kyndryl Holdings, Inc.

Retention Restricted Stock Units Equity Award Agreement

Plan	**Kyndryl 2026 Employment Inducement Equity Incentive Plan (the "Plan")**
Award Type	**[Retention Restricted Stock Units, Cash-Settled Retention Restricted Stock Units] (the "RSUs")**
Purpose	This award of RSUs (this "Award") is being granted as an "inducement grant" pursuant to the Kyndryl 2026 Inducement Plan. You recognize that this Award represents a potentially significant benefit to you and is awarded for the purpose stated here. This Award is made pursuant to the employment inducement award exemption under NYSE Listed Company Manual Section 303A.08. 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 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**
[Vest Date 1]	
[Vest Date 2]	
[Vest Date 3]	
[Vest Date 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.
Retention 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 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 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, Colombia, 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, 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 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, including this 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, 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 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 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.

This Award is not eligible for any retirement treatment. Notwithstanding that you may be eligible for retirement payments or benefits under the Executive Severance Plan and Executive Retirement Policy upon a retirement from the Company, the RSUs granted pursuant to this Agreement are expressly excluded from any reference thereunder to RSUs or vesting thereof.

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 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.

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 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:

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 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, 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 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 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 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 as 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.

14. 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.

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 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.

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 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.

19. 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.

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/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).

21. 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.

22. 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.

23. 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 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: November 4, 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, Ellen Johnson, 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: November 4, 2026

/s/ Ellen Johnson

Ellen Johnson
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 September 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: November 4, 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 September 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Ellen Johnson, 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: November 4, 2026

/s/ Ellen Johnson

Ellen Johnson
Chief Financial Officer
(Principal Financial Officer)