



JOINT REPORT ON FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS

**by Kyndryl Canada Limited
and ISM Information Systems Management Canada Corporation
for the financial year ending March 31, 2024**

1. INTRODUCTION

As the world's largest IT infrastructure services provider, Kyndryl has a responsibility to ensure its operations promote a sustainable and just future for all, and is committed to making that vision a reality. Kyndryl's mission is to power human progress through modernizing and managing the world's mission-critical systems and services. We aim to do so responsibly and equitably. We believe technology should be used to drive the innovations needed to address the pressing problems of today and tomorrow. Respect for human rights across our operations, products, services, supply chains and relationships is fundamental to the success of that goal.

2. KYNDRYL'S APPROACH TO THIS JOINT REPORT ON THE FIGHT AGAINST MODERN SLAVERY

As part of broader international trends on human rights, there is a growing body of modern slavery related legislation globally. Accordingly, Kyndryl addresses in its Human Rights Policy and strategy the aspects related – but not limited – to forced labor and child labor.

Whereas our approach, strategy and goals on human rights and modern slavery are enterprise-wide, this publication is made in respect of the particular laws in Canada. This joint report is submitted by Kyndryl Canada Limited ("**Kyndryl Canada**") and its subsidiary ISM Information Systems Management Canada Corporation ("**ISM**") for the financial year ended March 31, 2024, to comply with Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "**Act**").

Kyndryl Canada is a subsidiary of Kyndryl Holdings, Inc. (NYSE: KD). In this report, references to "**Kyndryl**", "**we**", "**our**" and similar terms are to the parent entity Kyndryl Holdings Inc., Kyndryl Canada and ISM generally, to one or more of these entities, or to those individuals who work for them.

Kyndryl Canada is headquartered in Ontario, and ISM is based in Saskatchewan. Neither Kyndryl Canada nor ISM are subject to modern slavery legislation reporting requirements in other jurisdictions.

3. ABOUT KYNDRYL'S BUSINESS AND SUPPLY CHAIN

Kyndryl was spun off from IBM's infrastructure services business in November 2021. Kyndryl designs, builds, manages, and modernizes complex, mission-critical information systems

that the world depends on every day. With an expanded addressable market post-spin-off, Kyndryl serves thousands of enterprise customers worldwide across various industries, including financial services, healthcare, and government.

Kyndryl Canada is a wholly owned, indirect subsidiary of Kyndryl Holdings, Inc., which is headquartered in New York. ISM is a wholly owned, direct subsidiary of Kyndryl Canada. Kyndryl Canada and ISM comprise a diverse group of professionals with extensive experience in IT infrastructure management that are committed to delivering high-quality services to our customers.

Kyndryl Canada and ISM import IT hardware as well as various software products to sell to customers and ultimately support customers' IT infrastructure needs. The majority of purchases by Kyndryl Canada and ISM in this area are done via local Canadian affiliates of the manufacturers or through distributors which specialize in the acquisition and importing of such products. In some instances, products are purchased (and imported) from suppliers selected and contracted with by Kyndryl at the international level. Kyndryl Canada's procurement team is a part of Kyndryl Global Procurement, which has responsibility for purchases needed for business operations and to enable the delivery of Kyndryl's products, software, and services to our customers worldwide. To achieve consistency, Kyndryl has a global structure to select suppliers and commit Kyndryl funds via contracts and purchase orders.

4. POLICIES AND DUE DILIGENCE PROCESSES

Kyndryl takes an integrated approach to developing and implementing due diligence policies and processes for identifying, addressing, and prohibiting the use of forced labour and child labour in operational activities and supply chains. Kyndryl's enterprise-wide policies and processes are adhered to and implemented by Kyndryl Canada and ISM.

Kyndryl maintains a suite of robust policies to ensure ethical practices and compliance with applicable laws and regulations across its global operations. The relevant policies for Kyndryl Canada and ISM relating to preventing and reducing the risk of forced labour and child labour in supply chains are:

- Kyndryl Code of Conduct
- Kyndryl Contractor Code of Conduct
- Kyndryl Human Rights Policy

In addition, as of January 1, 2022, Kyndryl has adopted the Responsible Business Alliance Code of Conduct (the "**RBA Code**"), which also applies to Kyndryl Canada and ISM. Adopting the RBA Code involves a commitment to meet standards relating to labour, health and safety, the environment, and business ethics. Among other things, the standards prohibit the use of forced labour and child labour. Under the RBA Code, tier 1 suppliers are also required to acknowledge and implement the RBA Code.

Specifically, in line with the RBA Code, Kyndryl Canada and ISM require that their tier 1 suppliers work towards, and remain compliant with the RBA Code, unless an acceptable

alternative clause is provided by a supplier. Kyndryl Canada and ISM also commit to requesting that their suppliers certify compliance with laws regarding modern slavery in alignment with applicable local laws and the RBA Code. If a supplier is found to violate the RBA Code, the supplier must take corrective actions to remediate the violation or risk termination.

The RBA Code's principles and commitments are reinforced by Kyndryl's Global Employment Standard. Included within the Standard is Kyndryl's position on freely chosen employment, young workers, wages, benefits, and working hours. Additional statements of our policies are included in the Kyndryl Code of Conduct.

5. RISK IDENTIFICATION AND ASSESSMENT

For large global companies like Kyndryl, the risk of modern slavery resides primarily in the extended upstream supply chain, where the rigorous controls of a global company's policies and practices can be challenging to implement and sustain.

In 2023, Kyndryl performed a global enterprise risk assessment, which covered environmental, social and governance risks, including human rights and modern slavery, and found such risk to be a low impact for Kyndryl. Kyndryl Canada and ISM consider the risk to be low impact in relation to imports of products needed for their business operations and to enable the delivery of products, software, and services to their customers. We are committed to engaging in future assessments to better understand and address any human rights issues material to our business.

6. ACTING ON IDENTIFIED RISKS & IMPACTS

As part of the Kyndryl Contractor Code of Conduct, processes are in place for suppliers to report on any confirmed or suspected unlawful or unethical situations involving Kyndryl to the Kyndryl Procurement Ombudsman.

Kyndryl Canada and ISM were not made aware of specific instances of forced labour or child labour in their supply chains during the financial year ended March 31, 2024, and thus no remediation measures were taken during the reporting year.

7. TRAINING AND CAPABILITY BUILDING

All Kyndryl employees receive annual training on, and must affirm their commitment to, the Kyndryl Code of Conduct. The Kyndryl Code of Conduct is our internal code of business conduct and ethics for Kyndryl's directors, executive officers, and employees. Kyndryl Canada and ISM do not, themselves, currently provide specific training on forced labour or child labour.

8. EFFECTIVENESS OF MEASURES

Kyndryl has sought to assess the effectiveness of its approach to reducing and preventing the risk of forced labour and child labour in its global supply chains by undertaking audits in partnership with the RBA. In connection with its spin-off into a new company, Kyndryl retained and completed certain RBA audits alongside IBM for common suppliers in Vietnam, India and Chile in compliance with RBA audit guidelines. In the financial year ended March

31, 2023, Kyndryl also completed additional audits working with the RBA in Portugal, Mexico, Korea, and Chile.

To assess compliance in the future, Kyndryl intends to develop its own audit process that incorporates RBA guidelines, requires root cause and corrective actions to be implemented for all code noncompliance, engages a cross-section of companies in countries where the risk of noncompliance is elevated, and establishes a grievance procedure. We are currently implementing systems and processes to support disclosure of incidents in future annual reporting.

Kyndryl Canada and ISM did not, themselves, take any such measures in the financial year ending March 31, 2024.

This report was approved by the Board of Directors of Kyndryl Canada Limited on May 31, 2024, pursuant to paragraph 11(4)(b)(ii) of the Act and constitutes our report for the financial year ended March 31, 2024.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year indicated above.

I have the authority to bind Kyndryl Canada Limited.

Farhaz Thobani

Full name: Farhaz Thobani

Title: President, Kyndryl Canada

Date: May 31, 2024