

Risk Factors Comparison 2025-02-25 to 2024-02-27 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text **Moved Text Section**

Risks Related to Our Business Strategy A significant decrease in leasing demand for our communications infrastructure would materially and adversely affect our business and operating results, and we cannot control that demand. A significant reduction in leasing demand for our communications infrastructure would materially and adversely affect our business, results of operations or financial condition. Factors that may affect such demand include: • the ability and willingness of wireless and cloud service providers to maintain or increase capital expenditures on network infrastructure; • the financial condition of communications service providers; • increased mergers, consolidations or exits that reduce the number of communications service providers or increased use of network sharing among governments or communications service providers; • a decrease in demand for wireless or colocation services, including due to general economic conditions, **changes in global tariff or trade policies or regulations**, disruption in the financial and credit markets or global social, political or health crises, inflation, slowing growth, **rising high** interest rates or recession; • delays or changes in the deployment of next generation wireless technologies; • technological changes, **including artificial intelligence, satellite technology and an increase in the use of radio access network (“RAN”) sharing among wireless service providers**; • zoning, environmental, health, tax or other government regulations or changes in the application and enforcement thereof; and • governmental licensing of spectrum or restriction or revocation of our customers’ spectrum licenses. A substantial portion of our current and projected future revenue is derived from a small number of customers, and we are sensitive to adverse changes in the creditworthiness and financial strength of our customers. A substantial portion of our total operating revenues is derived from a small number of customers. If any of these customers are unwilling or unable to perform their obligations under their agreements with us, our revenues, results of operations, financial condition and liquidity could be materially and adversely affected. In addition, our growth projections are based on future revenue from a small number of customers, and such projections could be adversely impacted by adverse changes in the creditworthiness and financial strength of our customers. One or more of our customers, or their parent companies, may experience financial difficulties, file for bankruptcy or reduce or terminate operations as a result of a prolonged economic downturn, economic difficulties (~~including such as~~ those from the imposition of taxes, fees **(including the cost of, and access to, spectrum)**), regulations or judicial interpretations of regulations, and any associated penalties or interest, which may be substantial) or otherwise. The current inflationary and high interest rate environment could materially and adversely affect our customers through disruptions of, among other things, their ability to procure their equipment through their supply chains, their ability to procure power and fuel and their ability to maintain liquidity and deploy network capital, with potential decreases in consumer spending contributing to liquidity risks. Such financial difficulties could result in uncollectible accounts receivable and an impairment of our deferred rent asset, tower asset, network location intangible asset, tenant- related intangible asset or goodwill. The loss of significant customers, or the loss of all or a portion of our anticipated lease revenues from certain customers, could have a material adverse effect on our business, results of operations or financial condition. ~~One of our largest customers in India is VIL, which represented approximately 3 % of our total revenue for the year ended December 31, 2023. As a result of the VIL Shortfall, during the year ended December 31, 2022, we determined that certain fixed and intangible assets and tenant- related intangible assets for VIL had been impaired. In the second half of 2023, VIL began making payments in full of its monthly contractual obligations owed to us. Additionally, the Pending ATC TIPL Transaction is subject to pre- closing terms, which may not be satisfied, as well as regulatory and governmental approval, which may prevent us from completing a transaction on acceptable terms. If the Pending ATC TIPL Transaction does not close, additional partial payments from VIL could have further negative effects on our fixed assets, intangible assets or goodwill, could result in additional impairments and could have a material adverse effect on our business, results of operations or financial condition. For more information on impairments in India, please see the information under the caption “Management’s Discussion and Analysis of Financial Condition and Results of Operations— Critical Accounting Policies and Estimates” included in this Annual Report. For more information on revenue reserves related to the VIL Shortfall, please see the information under the caption “Management’s Discussion and Analysis of Financial Condition and Results of Operations— Results of Operations” included in this Annual Report.~~ Due to the long- term nature of our customer leases, we depend on the continued financial strength of our customers. Many communications service providers operate with substantial levels of debt. In our international operations, many of our customers are subsidiaries of global telecommunications companies. These subsidiaries may not have the explicit or implied financial support of their parent entities. In addition, many of our customers and potential customers rely on capital raising activities to fund their operations and capital expenditures, which may be more difficult or expensive in the event of downturns in the economy or disruptions in the financial and credit markets, such as the current environment driven by the significant **disruptions challenges** caused by factors such as inflation, **rising currency devaluations and other foreign currency exchange rate volatility, higher** interest rates and supply chain disruptions. If our customers or potential customers are unable to raise adequate capital to fund their business plans or face capital constraints, they may reduce their spending, file for bankruptcy or reduce or terminate operations, which could materially and adversely affect demand for our communications infrastructure and our services business. In the ordinary course of our business, we do occasionally experience disputes with our customers, generally regarding the interpretation of terms in our leases. Historically, we have resolved these disputes in a manner that did not have a material adverse effect on us or our relationships with our customers. However, it is possible that such disputes could lead to a termination of our leases with those customers, a material adverse modification of the terms of those leases or a deterioration in our relationships with those customers that leads to a failure to obtain new business from them, any of which

could have a material adverse effect on our business, results of operations or financial condition. If we are forced to resolve any of these disputes through litigation **or arbitration**, our relationship with the applicable customer could be terminated or damaged, which could lead to decreased revenue or increased costs, resulting in a corresponding adverse effect on our business, results of operations or financial condition. If our customers consolidate their operations, exit their businesses or share site infrastructure to a significant degree, our growth, revenue and ability to generate positive cash flows could be materially and adversely affected. Significant consolidation among our customers could reduce demand for our communications infrastructure and may materially and adversely affect our growth and revenues. Certain combined companies have rationalized duplicative parts of their networks or modernized their networks, and these and other customers could determine not to renew, or attempt to cancel, avoid or limit leases or related payments with us. Additionally, some of our international customers may use consolidation and / or restructuring to address financial or other competitive pressures, which could in turn result in the sale of wireless assets. In the event a customer terminates, consolidates or restructures its business, or separately sells its spectrum or wireless assets, we may experience increased churn as a result. Our ongoing contractual revenues and our future results may be negatively impacted if a significant number of these leases are terminated or not renewed. For example, see our discussion of churn as a result of the T- Mobile MLA in our U. S. & Canada property segment in Item 7 of this Annual Report, under the caption “ Management’ s Discussion and Analysis of Financial Condition and Results of Operations — Executive Overview. ” In addition, extensive sharing of site infrastructure **through RAN sharing**, roaming or resale arrangements among wireless service providers, including due to increases in advanced network technology such as 5G, as an alternative to leasing our communications sites, without compensation to us, may cause new lease activity to slow if carriers utilize shared equipment rather than deploy new equipment, or may result in the decommissioning of equipment on certain existing sites because portions of the customers’ networks may become redundant. Increasing competition within our industries may materially and adversely affect our revenue. Our industries are highly competitive and our customers have numerous alternatives in leasing communications infrastructure assets. Competition due to pricing or alternative contractual arrangements from peers could materially and adversely affect our lease rates. We may not be able to renew existing customer leases or enter into new customer leases, or if we are able to renew or enter into new leases, they may be at rates lower than our current rates or on less favorable terms than our current terms, resulting in an adverse impact on our results of operations and growth rate. In addition, some of our data center competitors have significant advantages over us, including greater name recognition, longer operating histories, lower operating costs, lower levels of leverage, pre- existing relationships with current or potential customers, greater financial, marketing and other resources, access to better networks and access to less expensive power. These advantages could allow our data center competitors to respond more quickly or effectively to strategic opportunities and, as a result, we may lose existing or potential data center customers, incur costs to improve our data centers or be forced to reduce our rental rates. These risks are compounded by the fact that a significant percentage of our data center customer leases expire every year. **We do not maintain any significant insurance with respect to these matters.** ~~Operation of Our Business~~ If we are unable to protect our rights to the land under our towers and buildings in which our data centers are located, it could adversely affect our business and operating results. Our real property interests relating to our towers consist primarily of leasehold and sub- leasehold interests, fee interests, easements, licenses and rights- of- way. A loss of these interests at a particular tower site may interfere with our ability to operate that tower site and generate revenues. For various reasons, we may not always have the ability to access, analyze and verify all information regarding titles and other issues prior to completing an acquisition of communications sites, which can affect our rights to access and operate a site. From time to time, we also experience disputes with landowners regarding the terms of easements or ground agreements for land under towers, which can affect our ability to access and operate tower sites. Further, for various reasons, landowners may not want to renew their ground agreements with us, they may lose their rights to the land, or they may transfer their land interests to third parties, including ground lease aggregators, which could affect our ability to renew ground agreements on commercially viable terms. A significant number of the communications sites in our portfolio are located on land we lease pursuant to long- term operating leases. Further, for various reasons, title to property interests in some of the foreign jurisdictions in which we operate may not be as certain as title to our property interests in the United States. Our inability to protect our rights to the land under our towers may have a material adverse effect on our business, results of operations or financial condition. We do not own the buildings for all of our data centers and our business could be harmed if we are unable to renew the leases for these data centers at favorable terms or at all, though we generally have the right to extend the terms of our leases when the primary terms of the leases expire. Failure to increase operating revenues to sufficiently offset any potential increase in lease costs, including as a result of the current inflationary environment, would adversely impact our operating income. We could also lose customers due to the disruptions in their operations caused by our inability to renew our data center leases. Additionally, we rely on our landlords for basic maintenance of our leased data centers. If such landlords have not maintained our leased properties sufficiently, we may be forced into an early exit from one or more of these data centers, which could be disruptive to our business ~~or cause us to incur additional costs~~. Our expansion **and operational** initiatives involve a number of risks and uncertainties, including those related to integrating acquired or leased assets, that could adversely affect our operating results, disrupt our operations or expose us to additional risk. As we continue to acquire and build communications sites and other communications infrastructure assets, including data center facilities and related assets, in our existing markets and expand into new markets, we are subject to a number of risks and uncertainties, including not meeting our return on investment criteria and financial objectives, increased costs, assumed liabilities and the diversion of managerial attention. Achieving the benefits of acquisition and platform expansion initiatives depends in part on timely and efficient integration of operations, telecommunications infrastructure assets and personnel. Integration may be difficult and unpredictable for many reasons, including, among other things, **increased construction costs or supply chain disruptions**, portfolios without requisite permits, differing systems, cultural differences, conflicting policies, procedures and operations or with incomplete information. **We continue to seek to drive organizational improvement through a variety of**

actions, including operational and digital transformation, integration activities, strategic initiatives and business and operating model assessments. These initiatives can be time-consuming, disruptive to operations, and costly in the short-term. Successfully implementing these and other initiatives throughout our operations is critical to our future competitiveness and our ability to achieve long-term profitability. However, we cannot be certain that these initiatives will be successful in creating profit margins sufficient to sustain our current operating structure and business. Additionally, our future success depends upon our ability to recruit and retain the services of, among others, personnel with IT, data centers and telecommunications-related skills. There may be competition in attracting qualified personnel, and we may experience difficulty retaining and motivating existing employees and attracting qualified personnel to fill key positions.

Significant acquisition-related integration costs, including certain nonrecurring charges such as costs associated with onboarding employees, integrating information technology systems, acquiring permits and visiting, inspecting, engineering and upgrading tower sites or other communications infrastructure assets, could materially and adversely affect our results of operations in the period in which such charges are recorded or our cash flow in the period in which any related costs are actually paid. Some of our acquired portfolios have included sites that do not meet our structural specifications, including sites that may be overburdened. In these cases, beyond additional capital expenditures, general liability risks associated with such portfolios will exist until such time as those portfolios are upgraded or otherwise remedied. In addition, integration may significantly burden management and internal resources, including through the potential loss or unavailability of key personnel. Our international expansion initiatives are subject to additional risks, such as those described above, as well as our ability to comply with bribery and anti-corruption laws such as the Foreign Corrupt Practices Act (the "FCPA") and similar local laws. Moreover, we may fail to successfully integrate the assets we acquire or fail to utilize such assets to their full capacity. If we are not able to meet these integration challenges, we may not realize the benefits we expect from our acquired portfolios and businesses, and our business, financial condition and results of operations will be adversely affected. **Post-integration, certain operational complexities may remain into the mid- or long-term arising from the acquisition of assets from different sellers until they can be renegotiated, such as the requirement to manage multiple master lease agreements with differing terms with a single client.**

We must safeguard our customers' infrastructure and equipment located in our data centers and ensure our data centers remain operational at all times. Problems at one or more of our data centers, whether or not within our control, could result in service interruptions or significant infrastructure or equipment damage. These could result from numerous factors, including limited power availability and grid distribution constraints due to current high demand, human error, equipment failure, physical, electronic and cybersecurity breaches, fire, earthquake, hurricane, flood, tornado and other natural disasters, extreme temperatures, water damage, fiber cuts, power loss, terrorist acts, sabotage and vandalism, global pandemics or health emergencies and failure of business partners. We have service level commitment obligations to substantially all of our data center customers. As a result, service interruptions ~~or~~, **increased construction costs**, significant equipment damage in our data centers **and failing to recruit and develop qualified personnel** could result in difficulty maintaining service level commitments to these customers and potential claims related to such failures. Because our data centers are critical to many of our customers' businesses, service interruptions or significant equipment damage in our data centers could also result in lost profits or other indirect or consequential damages to our customers. In addition, any loss of service, equipment damage or inability to meet our service level commitment obligations could reduce the confidence of our customers and could consequently impair our ability to obtain and retain customers, which would adversely affect both our ability to generate revenues and our operating results. Furthermore, we are dependent upon internet service providers, telecommunications carriers and utility providers, some of which have experienced significant system failures and outages in the past. Our customers may in the future experience difficulties due to system failures unrelated to our systems and offerings. If, for any reason, these providers fail to provide the required services, our business, financial condition and results of operations could be adversely impacted. As a result of our acquisitions, we have a substantial amount of intangible assets and goodwill. In accordance with accounting principles generally accepted in the United States ("GAAP"), we are required to assess our goodwill and other intangible assets annually or more frequently in the event of circumstances indicating potential impairment to determine if they are impaired. If, as a result of the factors noted above, the testing performed indicates that an asset may not be recoverable or the carrying value exceeds the fair value, we would be required to record a non-cash impairment charge in the period the determination is made. Our platform expansion **growth** initiatives may not be successful, or we may be required to record impairment charges for our goodwill or for other intangible assets, which ~~could have a material adverse effect on..... our~~ **or their indebtedness**. These covenants could have an adverse effect on our business ~~by limiting~~, **results of operations** ~~our~~ **or** ~~ability to take advantage of financing new tower or other communications infrastructure development, mergers and acquisitions or other opportunities.~~ Our credit agreements also contain cross-default and/or cross-acceleration provisions, which may be triggered if we default on certain indebtedness in excess of certain thresholds. In the event of such a default, the resulting cross-defaults or cross-accelerations could have an adverse effect on our business and financial condition. Further, reporting and information covenants in our credit agreements and indentures require that we provide financial and operating information within certain time periods. If we are unable to provide the required information on a timely basis, we would **could limit** be in breach of these covenants. For more information regarding the covenants and requirements discussed above, please see Item 7 of this Annual Report under the caption "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Factors Affecting Sources of Liquidity" and note 8 to our **continued** consolidated financial statements included in this Annual Report. We also enter into hedges for certain debt instruments ~~---~~ **investments**, which may have an adverse impact on our results to the extent that the counterparties do not perform as expected at the inception of each hedge.

Risks Related to Laws and Regulations Our foreign operations are subject to economic, political and other risks that could materially and adversely affect our revenues or financial position, including risks associated with fluctuations in **such platform** foreign currency exchange rates. Our international business operations and our potential

expansion into additional new markets in the future..... requirements in multiple jurisdictions. These governmental initiatives are becoming more stringent and may require us and our customers to make capital expenditures, such as investing in renewable energy solutions or internal compliance systems, which would result in increased costs for us and our customers. Failure to comply with applicable laws and..... Related to the Operation of Our Business Our towers, fiber networks, data centers or computer systems may be affected by natural disasters (including as a result of climate change) , public perception of health risks and other unforeseen events for which our insurance may not provide adequate coverage or result in increased insurance premiums. Our towers, fiber networks, data centers and computer systems are subject to risks associated with natural disasters, such as hurricanes, ice and windstorms, tornadoes, floods, earthquakes and wildfires, as well as other unforeseen events, such as the potential adverse effects of pandemics and acts of terrorism. During the past several years, we have seen an increase in severe weather events and expect this trend to continue due to climate change. Additionally, certain natural disasters or unforeseen events could lead to supply chain delays or shortages, which could impact our operational and financial performance. Further, environmental liabilities, such as contamination, asbestos- containing building materials , lead or lead-based paint and mold or other air quality issues at some of our data centers, could arise and have a material adverse effect on our financial condition and performance. Any damage or destruction to, or inability to access, our towers, fiber networks, data centers or computer systems may cause supply chain delays or impact our ability to provide services to our customers and lead to customer loss, which could have a material adverse effect on our business, results of operations or financial condition. Additionally, our communications sites could be subject to attacks instigated by claims that the deployment of 5G or similar networks is linked to adverse health effects. While we maintain insurance coverage for certain natural disasters, we may not have adequate insurance to cover the associated costs of repair or reconstruction of sites or fiber for a major future event, lost revenue, including from new customers that could have been added to our towers, fiber networks or data centers but for the event, or other costs to remediate the impact of a significant event, such as wildfire damage caused by our towers. Further, we may be liable for damage caused by towers that collapse for any number of reasons including structural deficiencies, which could harm our reputation and require us to incur costs for which we may not have adequate insurance coverage. If we, or third parties on..... if these perceived risks are substantiated. Public perception of possible health risks associated with cellular and other wireless communications technology could slow the growth of wireless companies, which could in turn slow our growth. In particular, negative public perception of, and regulations regarding, these perceived health risks, including claims that the deployment of 5G networks is linked to adverse health effects, could undermine the market acceptance of wireless communications services and increase opposition to the development and expansion of tower sites. If a scientific study, court decision or, government agency ruling , or misinformation, disinformation or malinformation campaigns resulted in a finding that radio frequency emissions pose health risks to consumers, it could negatively impact our customers and the market for wireless services, which could materially and adversely affect our business, results of operations or financial condition. We do not maintain any significant insurance..... could be disruptive to our business. If we are unable or choose not to exercise our rights to purchase towers that are subject to lease and sublease agreements at the end of the applicable period, our cash flows derived from those towers will be eliminated. Our communications real estate portfolio includes towers that we operate pursuant to lease and sublease agreements that include a purchase option at the end of the lease period. We may not have the required available capital to exercise our right to purchase the towers at the end of the applicable period, or we may choose, for business or other reasons, not to do so. If we do not exercise these purchase rights, and are unable to extend the lease or sublease or otherwise acquire an interest that would allow us to continue to operate these towers after the applicable period, we will lose the cash flows derived from the towers.