Risk Factors Comparison 2024-02-29 to 2023-02-24 Form: 10-K

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The COVID- 19 pandemic has had, and may continue to have, an adverse impact on our business, financial condition and results of operations. **A** ~~We offer our services in 51 countries, most of which were significantly~~ -- **significant number** ~~impacted by the COVID- 19 pandemic. The extent~~ of ~~the impact of the COVID- 19 pandemic on our business and financial results will continue to depend on numerous evolving factors that we are not able to accurately predict and which will vary by market. Such future uncertain and unpredictable developments include the ultimate duration and scope of the pandemic, the rise and spread of new COVID- 19 variants, the availability and efficacy of vaccines and therapeutic treatments and the willingness of the public to accept such vaccines and treatments, governmental actions that have been taken, or may be taken in the future, in response to the pandemic, and global economic conditions during and after the pandemic. Approximately 57. 1 % of our revenue for the year ended December 31, 2022 was from~~ our corporate **and enterprise** customers ~~. Corporate customers are located in MTOBs, almost exclusively~~ in the United States ~~and Canada. Authorities in many of these markets implemented numerous measures in response to the pandemic, such as travel bans and restrictions, quarantines, curfews, shelter- in- place and stay- at- home orders and business shutdowns and closures, and also implemented multi- step polices with the goal of re- opening these markets. While many of these measures have been lifted, the business shutdowns and closures due to the COVID- 19 pandemic and the accompanying shift to remote or hybrid work schedules continues to have an impact on business activity in the central business districts in which many of our MTOBs are located. This lingering impact and the impact of any new mandates, restrictions, laws or regulations could have a material adverse impact on our operations and the operations of our customers or others with whom we do business. In addition, a significant number of our corporate customers~~ have continued remote work policies instituted at the beginning of the COVID- 19 pandemic, slowed the pace of opening new offices and closed offices due to global economic conditions. We believe the rapid spread of the Delta and Omicron variants during 2021 influenced corporate customers to delay or rescind their plans to end their remote work policies. In ~~addition~~ **2023 more corporate customers increased their in- office requirements, nevertheless** , the prevalence of hybrid or fully remote work environments during the pandemic has caused some companies to transition to such environments on a permanent basis, and we do not know what impact this may have on demand for commercial office space and for our services. As a result, through much of **the year ended December 31,** ~~2022~~ **2023** , we saw corporate customers continue to take a cautious approach to adding new services and upgrading existing services as well as reduced demand for connecting smaller satellite offices. Since the beginning of the pandemic, we have experienced a deteriorating real estate market in the buildings we serve. Vacancy rates for many of our MTOBs have risen as a result of many tenants terminating leases and exiting buildings and as a result ~~Page 13~~ of ~~75of~~ lower new leasing activity. The impact of this greater level of vacancy rates was more pronounced in ~~Northern~~ **certain** cities ~~and~~ **, particularly** in ~~the~~ California ~~market~~ **and the Pacific Northwest** and less impactful **elsewhere** ~~in our Southern markets~~ . In addition, the shift of our ~~office workers~~ **own employees to** working remotely at certain times during the past few years has amplified certain risks to our business, including increased demand on our information technology resources and systems, increased phishing and other cybersecurity attacks ~~as cybercriminals try to exploit the uncertainty surrounding the COVID- 19 pandemic,~~ and an increase in the number of points of potential attack, such as laptops and mobile devices (both of which are now being used in increased numbers), to be secured. Any failure to effectively manage these risks, including to timely identify and appropriately respond to any cyberattacks, may adversely affect our business. We may find it difficult to retain existing employees or to hire new employees because we have required all employees to return to the office on a full- time basis and in the United States to receive the COVID- 19 vaccine and boosters. In the second half of 2021, we notified our employees worldwide that they would be required to return to the office on a full- time basis when permitted by local regulations. For employees in the United States, our return to office began in September 2021. As other countries relaxed their COVID regulations, our employees in those countries returned to the office as well. ~~.~~ Except for a brief period at the beginning of 2022 when we temporarily shifted a portion of our workforce to remote work, **we have maintained our requirement that** ~~by the end of the spring of 2022, the overwhelming majority of~~ all employees **work** ~~were working full- time~~ in our offices. In August 2021, we also notified employees in the United States that they would be required to attest that they were fully vaccinated against the COVID- 19 virus unless they received a medical or religious exemption. We subsequently mandated that all U. S. employees receive a COVID- 19 booster vaccine no later than six weeks after first becoming eligible for such vaccine. ~~Our~~ **We required that the** employees **of the Sprint Business** ~~have largely complied with our vaccine mandate~~ in the United States . However, we experienced an increase...... the employees of the Wireline Business also attest **and provide proof** that they are fully vaccinated against the COVID- 19 virus unless they received a medical or religious exemption. **Our** ~~Certain of these~~ employees ~~are not~~ **have largely complied with our vaccine mandate in the United States** .However,we experienced an increase in employee departures,particularly within our sales department,beginning in the second half of 2021 and continuing into 2022. **The departure rate returned to our long- term historical rates in 2023.** We believe that ~~this~~ **the** rise in departures was attributable,in part,to the unwillingness of some employees to work in a full- time,in- office environment.In the United States,we believe the rise in departures was also attributable to the unwillingness of some employees to be ~~vaccinated.If we continue to require employees to work in the office on a full- time basis and / or to mandate COVID~~ vaccinated ~~against~~ **. If we continue to require employees to work in** the **office on a full- time basis and / or to mandate** COVID- 19 **vaccinations** ~~virus and as a result, may elect not to join our organization. We are experiencing delays~~ in ~~the delivery of networking equipment and other~~ -- **the United States** ~~services from certain of our vendors. During the pandemic we experienced a slowdown in the delivery of network equipment and delays in the projected~~

~~delivery time of network equipment orders~~ , ~~and those delays have continued to the present. In addition,~~ we **may find** ~~have experienced delays in the delivery of services from vendors who supply us with dark fiber or lit~~ - **it difficult** ~~circuits. We believe these delays are caused by supply chain issues due~~ to **retain existing employees or hire new employees. Further** ~~component shortages and scarcity of raw materials as well as labor shortages~~ , **a resurgence of** ~~and that these supply chain issues have their origin in the responses to the~~ COVID- 19 **due to Page 15** ~~pandemic. While we believe that we can adequately manage the operation, maintenance, upgrading and growth~~ of **90immunity- resistant variants may cause employees to be more reluctant to continue in,** ~~our~~ - **or make new employees more reluctant** ~~network, a worsening or prolonged slowdown of the delivery of network equipment, dark fiber and lit circuits may impact our ability~~ to ~~expand and augment our network and service offerings~~ **accept, a full- time, in- office position due to concerns about COVID- 19** . If this occurs, this may impact our revenue growth and profitability. Our growth and financial health are subject to a number of economic risks. A downturn in the world economy, especially the economies of North America and Europe, would negatively impact our growth. Our net- centric business would be particularly impacted by a decline in the development of new applications and businesses that make use of the Internet. Our corporate business would be particularly impacted by an increase in vacancy rates in the MTOBs that we serve. Our total revenue growth is predicated on growth in the use of the Internet that makes up for the declining prices of Internet service. An economic downturn could impact the Internet business more significantly than other businesses that are less dependent on new applications and growth in the use of those applications and less susceptible to increases in office vacancy rates resulting from the retrenchment by consumers and businesses that typically occurs in an economic downturn. ~~Page 14 of 75Our~~ -- **Our** historical reductions in our prices are expected to continue in an inflationary economy even as our costs may increase. Many of the regions in which we operate ~~are~~ **continue to** ~~experiencing~~ **experience** an increase in inflation rates. Due to the nature of our product offerings and the industry in which we operate, which is deflationary, we may be unable to raise our prices. We expect that our historical pricing patterns will continue for the foreseeable future. These historical pricing patterns are occurring against the backdrop of a general increase in prices due to inflation. In particular, the cost of electricity has increased greatly in all countries where we purchase power. While we have negotiated contracts that cap price increases due to inflation or that have fixed the price of electricity, we **have experienced and** may **continue to** experience increases in the costs of electricity and other services that we cannot pass on to our customers or may only be able to pass on partially to our customers. If these price increases continue, this may impact our profitability. Events beyond our control may impact our ability to provide our services to our customers or increase the costs or reduce the profitability of providing our services. Catastrophic events, such as major natural disasters, extreme weather, fire, flooding or similar events as well as the continued threat of terrorist activity and other acts of war or hostility have had, and may continue to have, an adverse effect on our headquarters, other offices, our network, infrastructure or equipment or our customers and prospective customers, which could adversely affect our business. These events may also have an adverse impact on business, financial and general economic conditions around the world. We have certain locations through which a large amount of our Internet traffic passes. Examples are facilities in which we exchange traffic with other carriers, the facilities through which our transoceanic traffic passes, and certain of our network hub sites. We are particularly vulnerable to acts of terrorism because our largest customer concentration is located in New York, our headquarters is located in Washington, D. C., and we have significant operations in Paris, Madrid and London, cities that have historically been targets for terrorist attacks and **may be** vulnerable to pandemics. If these or any other of our key facilities were destroyed or seriously damaged, a significant amount of our network traffic could be disrupted. Because of the large volume of traffic passing through these facilities our ability (and the ability of carriers with whom we exchange traffic) to quickly restore service would be challenged. There could be parts of our network or the networks of other carriers that could not be quickly restored or that would experience substantially reduced service for a significant time. If such a disruption occurs, our reputation could be negatively impacted which may cause us to lose customers and adversely affect our ability to attract new customers, resulting in an adverse effect on our business and operating results. Risks Relating to Our ~~Proposed~~ Acquisition of the ~~Wireline Business of~~ Sprint ~~CommunicationsRegulatory approvals necessary for our acquisition of the Wireline Business~~ **BusinessWe** ~~of Sprint Communications may not be received, may take longer than expected or may impose conditions that are not presently anticipated or that could have an adverse effect on the combined company following closing of the Transaction. In September 2022, we announced our acquisition of the Wireline Business of Sprint Communications. Subject to the satisfaction of the required closing conditions, we expect the Transaction to close in 2023. Any failure to close or an extended delay in closing the Transaction may have an adverse effect on us. Our acquisition of the Wireline Business of Sprint Communications requires us to obtain certain regulatory approvals, waivers or consents. Regulators may impose conditions on these approvals. Such conditions could have the effect of delaying or preventing the completion of the Transaction, causing us to incur additional costs or limiting the competitive position of the combined company following the Transaction. Any of these conditions may have an adverse effect on the combined company following the Transaction. Additionally, any delay in closing the Transaction may adversely affect our business, the business of Sprint Communications or the business of the combined company, including an adverse effect on Sprint Communications' ability to retain key employees during the transition period or on Sprint Communications' relationship with its customers or vendors if such parties attempt to terminate, or negotiate changes in, their existing business relationships, consider entering into business relationships with competitors of Sprint Communications or otherwise delay or defer decisions concerning their business with Sprint Communications. We~~ may not realize the anticipated benefits of the acquisition of the ~~Wireline~~ **Sprint** Business **, and the integration** of **the** Sprint ~~Communications, and the integration of the Wireline~~ Business ~~of Sprint Communications~~ may disrupt our business and management. The success of our acquisition of the ~~Wireline~~ **Sprint** Business ~~of Sprint Communications~~ , including the realization of anticipated benefits and cost savings, will depend, in part, on our ability to successfully combine our business and the ~~Wireline~~ **Sprint** Business. The ~~Page 15 of 75integration~~ -- **integration** may be more difficult, costly or time consuming than expected. The integration process involves numerous risks. These risks include: ● inability to achieve the financial and strategic goals for the ~~Wireline~~ **Sprint** Business and

the combined businesses; **Page 16 of 90** ● inability to achieve the projected cost savings for the ~~Wireline~~ **Sprint** Business and the combined businesses and the resulting impact on profitability; ● difficulty in, and the cost of, effectively integrating the operations, technologies, products or services, and personnel of the ~~Wireline~~ **Sprint** Business; ● entry into markets in which we have minimal prior experience and where competitors in such markets have stronger market positions; ● disruption of our ongoing business and distraction of our management and other employees from other opportunities and challenges; ● inability to retain **key** personnel of the ~~Wireline~~ **Sprint** Business; ● inability to retain key customers, vendors and other business partners of the ~~Wireline~~ **Sprint** Business or to migrate customers from legacy **the Sprint Business** services; ● any non- occurrence of anticipated tax benefits **or potential for adverse tax consequences; ● the effects of complex accounting requirements on our reported results** ; ● incurring acquisition- related costs or amortization costs for acquired intangible assets that could impact our operating results; ● elevated delinquency or bad debt write- offs related to receivables of the ~~Wireline~~ **Sprint** Business ~~we assume~~ ; ● difficulty in maintaining internal controls, procedures and policies during the transition and integration; ● impairment of our relationships with employees, customers, partners, distributors or third- party providers of our technologies, products or services; ● failure of our due diligence processes to identify significant problems, liabilities or other challenges of the ~~Wireline~~ **Sprint** Business or technology; ● exposure to litigation or other claims in connection with, or inheritance of claims or litigation risk as a result of, the Transaction, such as claims from terminated employees, customers, or other third parties; ● inability to conclude that our internal control over financial reporting is effective; ● delay in customer purchasing decisions due to uncertainty about the direction of our product and service offerings; ● **Transition Services (as defined below) costs for longer than anticipated; ●** increased accounts receivables collection times and working capital requirements associated with business models of the ~~Wireline~~ **Sprint** Business; and ● incompatibility of business cultures. If we experience difficulties during the integration process and are unable to integrate the ~~Wireline~~ **Sprint** Business successfully or in a timely manner, we may not realize the benefits of the Transaction to the extent anticipated. These integration matters could have an adverse effect on us during the transition period and on the combined company for an undetermined period after completion of the Transaction. Page ~~16~~ **17** of ~~75Business~~ **90Business** RisksWe need to retain existing customers and continue to add new customers in order to become consistently profitable and cash flow positive. In order to be consistently profitable and consistently cash flow positive, we need to both retain existing customers and continue to add a large number of new customers. The precise number of additional customers required is dependent on a number of factors, including the turnover of existing customers, the pricing of our product offerings and the revenue mix among our customers. We may not succeed in adding customers if our sales and marketing efforts are unsuccessful. In addition, many of our targeted customers are businesses that are already purchasing Internet access services from one or more providers, often under a contractual commitment. It has been our experience that such targeted customers are often reluctant to switch providers due to costs and effort associated with switching providers. Further, as some of our customers grow larger **,** they may decide to build their own Internet backbone networks or enter into direct connection agreements with telephone and cable companies that provide Internet service to consumers. A migration of a few very large Internet users to their own networks, or to ~~special~~ **closed** networks that may be offered by major telephone and cable providers of last mile broadband connections to consumers, or the loss or reduced purchases from several significant customers ~~could impair our growth, cash flow and profitability. The customers of the Wireline Business include a number of large enterprise customers, a type of customer that we have not traditionally served. We may encounter difficulties retaining such customers or in converting such customers from their legacy services to newer technologies. Our inability to retain such customers or are unable to convert them to our services,~~ could impair our growth, cash flow and profitability. We have customers who depend on the U. S. government' s E- rate program for funding. There can be no assurance that the E- rate program will continue or that other governmental programs that fund governments and organizations that are or might become customers will continue. A failure of such programs to continue could result in a loss of customers and impair our growth, cash flow and profitability. A substantial and long- term shift to remote work may impact our ability to add new customers and to retain existing customers. Through much of 2021 ~~and~~ **,** 2022 **, and 2023** , we saw corporate customers continue their remote work policies and take a cautious approach to new services and upgrades, as well as a reduced demand for connecting smaller satellite offices. We also witnessed a deteriorating real estate market in and around the buildings we service, with rising vacancy levels and falling lease initiations or renewals resulting in fewer sales opportunities for our salesforce. As a result, we experienced a slowdown in new sales to our corporate customers which negatively impacted our corporate revenue growth. If **a significant number of our corporate customers or potential customers decide to retain remote work policies** , ~~after~~ **we may experience increased customer turnover, fewer upgrades of existing customer configurations and fewer new tenant opportunities. These trends may negatively impact our revenue growth, cash flows and profitability. Lower vacancy rates as a result of diminished lease terminations and increased leasing and subleasing activity will be a key factor in driving renewed growth in our corporate business. During** the **pandemic, we saw increasing vacancy rates in many of our buildings due to higher lease terminations and lower leasing activity. Throughout the year concluding on December 31, 2023, we observed a gradual reduction in vacancy rates and an upward** ~~end~~ **trend in office occupancy rates but elevated vacancy rates remain in a number of markets, predominantly in California and the Pacific Northwest. Concurrently, there were encouraging developments in our corporate business. Despite these positive indicators, the precise timing and trajectory of these trends remain uncertain. The lingering effects** of the COVID- 19 pandemic **introduce an element** ~~, a significant number~~ of ~~our~~ **unpredictability, and we may continue to see increased** corporate ~~customers or potential customers decide to retain remote work policies, we may experience increased~~ customer turnover, fewer upgrades of existing **corporate** customer configurations and fewer new tenant opportunities **, which would** ~~. These trends may~~ negatively ~~impact~~ **affect** our **corporate** revenue growth ~~, cash flows and profitability. Lower vacancy rates as a result of diminished lease terminations and increased leasing and subleasing activity will be a key factor in driving renewed growth in our corporate business. During the pandemic, we saw increasing vacancy rates in many of our buildings due to higher lease~~

~~terminations and lower leasing activity. This reduction in tenancy levels was particularly challenging in our Northern and Californian markets. As a result, our level of activity in our corporate business has been adversely affected. In order to see a growing level of corporate activity, we believe there will need to be an improvement in the tenancy levels of our buildings through a reduction in tenant exits and increased leasing activity~~ . Our business and operations are growing rapidly, and we may not be able to efficiently manage our growth. We have grown our Company rapidly through network expansion ~~and~~ **,** by obtaining new customers through our sales efforts **and by our acquisition of the Sprint Business** . Our expansion places significant strains on our management, operational and financial infrastructure. Our ability to manage our growth will be particularly dependent upon our ability to: ● expand, develop and retain an effective sales force and qualified personnel; ● maintain the quality of our operations and our service offerings; ~~Page 17 of 75~~ ● maintain and enhance our system of internal controls to ensure timely and accurate compliance with our financial and regulatory reporting requirements; ~~and~~ **andPage 18 of 90** ● expand our accounting and operational information systems in order to support our growth. If we fail to implement these measures successfully, our ability to manage our growth will be impaired **. We may be unable to retain existing enterprise customers, maintain the level of services provided to enterprise customers or attract new enterprise customers. In connection with the acquisition of the Sprint Business, we acquired an enterprise customer base, a type of customer that we have not traditionally served. We have established an enterprise sales team within our sales force to focus on retaining these customers and attracting new enterprise customers. Enterprise customers differ from our existing corporate and net- centric customers in that they have larger, more geographically diverse operations that require a greater percentage of off- net services from us. In addition, enterprise customers are more likely to require customized solutions and processes and to look for a single provider to meet their connectivity needs. We may encounter difficulties retaining such customers, in converting such customers from their legacy services to newer technologies or in attracting new enterprise customers. Our inability to retain or attract such customers or to convert them to our services, could impair our growth, cash flow and profitability** . Demand from certain employees to work remotely may reduce the attractiveness of our business as an employer versus some competitors who are allowing employees to work remotely. In the fall of 2021, we began to implement an in- office work policy designed to return the vast majority of our employees to an in- office work environment. Except for a brief return to remote work at the beginning of 2022 for a portion of our workforce, we have **, with the exception of a limited number of employees who become eligible for hybrid work on a quarterly basis,** maintained our requirement that all employees work in our offices wherever possible. A small minority of our workforce declined to return to full- time in- office employment and left our employment. We are experiencing modest competitive challenges versus some competitors who are offering some employees a hybrid work option. Increasing demands to work in a hybrid work style may reduce our ability to attract and retain employees, in particular attracting and retaining salespeople. We may not successfully make or integrate acquisitions or enter into strategic alliances. As part of our growth strategy, we may pursue selected acquisitions and strategic alliances. To date, we have completed ~~13~~ **14** significant acquisitions, ~~not~~ including our ~~pending~~ **recent** acquisition of the ~~Wireline~~ **Sprint** Business. However, we are very selective with respect to such acquisitions and alliances and, prior to the acquisition of the ~~Wireline~~ **Sprint** Business, we had not undertaken either for more than 17 years. We compete with other companies for acquisition opportunities and we cannot assure you that we will be able to execute future acquisitions or strategic alliances on commercially reasonable terms, or at all. Even if we enter into these transactions, we may experience: ● delays in realizing or a failure to realize the benefits we anticipate; ● difficulties or higher- than- anticipated costs associated with integrating any acquired companies, products or services into our existing business; ● attrition of key personnel from acquired businesses; ● unexpected costs or charges; and ● unforeseen operating difficulties that require significant financial and managerial resources that would otherwise be available for the ongoing development or expansion of our existing operations. **● unforeseen difficulties or costs associated with the repurposing of the Sprint Network and buildings acquired with the Sprint Business.** In the past, our acquisitions have often included assets, service offerings and financial obligations that are not compatible with our core business strategy. We have expended management attention and other resources to the divestiture of assets, modification of products and systems as well as restructuring financial obligations of acquired operations. In most acquisitions, we have been successful in renegotiating the agreements that we have acquired. If we are unable to satisfactorily renegotiate such agreements in the future or with respect to future acquisitions, we may be exposed to large claims for payment for services and facilities we do not need. **Page 19 of** ~~Consummating~~ **90Consummating** these transactions could also result in the incurrence of additional debt and related interest expense, as well as unforeseen contingent liabilities, all of which could have a material adverse effect on our business, financial condition and results of operations. Because we have typically purchased financially distressed companies or their assets, and may continue to do so in the future, we have **largely** not had, and may not **in the future** have, the opportunity to perform extensive due diligence or obtain contractual protections and indemnifications that are customarily provided in acquisitions. As a result, we may face unexpected contingent liabilities arising from these acquisitions. We may also issue additional equity in connection with these transactions, which would dilute our existing shareholders. Following an acquisition, we have experienced a decline in revenue attributable to acquired customers as these customers' contracts have expired and they have entered into our standard customer contracts at generally lower rates or have chosen not to renew service with us. We anticipate that we would experience similar revenue declines with respect to customers we may acquire in the future. **Our data center expansions could involve significant risks to our business. To sustain our growth in various existing and emerging markets, we may need to expand an existing data center, lease a new facility, or acquire suitable land, with or without existing structures. Undertaking such projects exposes us to numerous risks that could adversely impact our financial condition and operational results. The prevailing global supply chain challenges and inflation have further heightened these risks, introducing additional uncertainties into our business. The selection of suitable sites is a critical factor in our expansion plans. It is possible that there may be a lack of available properties in our target markets with the required combination of high- power capacity and fiber**

connectivity, or the options may be limited. Anticipating ongoing challenges in power availability and grid constraints in various markets, coupled with shortages of associated equipment due to heightened demand and the finite nature of these resources, we may encounter difficulties in site selection, leading to construction delays, increased costs, lower interconnection revenue, reduced margins, and potential negative implications for customer retention over time. Currently, we are dealing with escalating construction costs attributed to the rising expenses of labor and raw materials, logistical challenges in the supply chain, and heightened demand in our sector. Despite having invested in building up a reserve of materials to address supply chain issues and inflation, there exists the possibility that it may not be sufficient. Persistent delays, difficulties in finding replacement products, and continued high inflation could potentially affect our business and growth, significantly affecting our overall business standing. Any unforeseen disruptions to our supply chain or inflationary pressures might substantially impact the costs associated with our planned expansion projects, potentially hindering our ability to fulfill commitments to customers who have contracted for space in new data centers under construction. Construction projects are dependent on receiving permits from public agencies and utility companies. Any delay in receiving permits could delay our construction projects and affect our growth. While we do not currently anticipate any material long- term negative impact to our business because of construction delays, these types of delays and stoppages related to receiving permits from public agencies and utility companies could worsen and have an adverse effect on our bookings, revenue or growth. Furthermore, construction related projects require us to carefully select and rely on the experience of one or more designers, general contractors, and associated subcontractors during the design and construction process. Should a designer, general contractor, significant subcontractor or key supplier experience financial problems or other problems during the design or construction process, we could experience significant delays, increased costs to complete the project and / or other negative impacts to our expected returns. Our commitments and disclosures regarding environmental, social, and governance (ESG) matters expose us to potential reputational and legal risks. The perception of our ESG profile as less attractive to customers or employees may impact our brand and reputation. Our level of commitment to ESG initiatives could influence our ability to attract or retain customers and employees. The timing, scope, or nature of these initiatives, goals, or commitments, as well as any revisions, may lead to criticism. Scrutiny regarding the accuracy, adequacy, or completeness of ESG disclosures may arise. Any perceived failure to achieve our ESG- related initiatives, goals, commitments, or mandates could adversely affect our reputation and materially harm our business. The growing emphasis on ESG matters has prompted the adoption of legal and regulatory requirements to address climate change effects and necessitate additional disclosures. If new laws or regulations surpass current requirements, we may face heightened compliance burdens and increased costs. Our selection of voluntary disclosure frameworks and standards, as well as their Page ~~18~~ **20** of **90interpretation or application, may change and might not align with investor or stakeholder expectations. Achieving our ESG commitments is contingent on numerous external factors beyond our control, including evolving and potentially inconsistent regulatory requirements, supplier availability meeting our standards, and the recruitment, development, and retention of diverse talent.** ~~75Competitive~~ -- **Competitive** RisksOur connections to the Internet require us to establish and maintain relationships with other providers, which we may not be able to maintain. The Internet is composed of various network providers who operate their own networks that interconnect at public and private interconnection points. Our network is one such network. In order to obtain Internet connectivity for our network, we must establish and maintain relationships with other ISPs and certain of our larger customers. These providers may be customers (who connect their network to ours by buying Internet access from us) or may be other large ISPs to whom we connect on a settlement- free peering basis as described below. Both customers and settlement- free peers may be competitors of ours. By entering into what are known as settlement- free peering arrangements, providers agree to exchange traffic between their respective networks without charging each other. Our ability to avoid the higher costs of acquiring paid dedicated network capacity (transit or paid peering) and to maintain high network performance is dependent upon our ability to establish and maintain settlement- free peering relationships and to increase the capacity or to add additional locations of the interconnections provided by these relationships. The terms and conditions of our settlement- free peering relationships may also be subject to adverse changes, which we may not be able to control. If we are not able to maintain or increase our settlement- free peering relationships in all of our markets on favorable terms or to upgrade the capacity of our existing settlement- free peering relationships, **customers may not upgrade their connections with us or** we may not be able to provide our customers with high performance, affordable or reliable services, which could cause us to lose existing and potential customers, damage our reputation and have a material adverse effect on our business. Additionally, certain of our current customers may seek to become settlement- free peers with us. We cannot assure you that we will be able to continue to establish and maintain relationships with other ISPs, favorably resolve disputes with such providers, or increase the capacity of our **settlement- free peering** interconnections with such providers. The sector in which we operate is highly competitive, and we may not be able to compete effectively. We face significant competition from incumbent carriers, Internet service providers and facilities- based network operators. Relative to us, many of these providers have significantly greater financial resources, more well **-** established brand names, larger customer bases, and more diverse strategic plans and service offerings. A number of these providers also have large bases of consumers, which makes their networks particularly attractive to content providers as they can provide a direct connection to their customers. Intense competition from these traditional and new communications companies has led to declining prices and margins for many communications services, and we expect this trend to continue as competition intensifies in the future. Decreasing prices for high- speed Internet services have somewhat diminished the competitive advantage that we have enjoyed as a result of our service pricing. Our business is premised on the idea that customers want simple Internet access and private networks rather than a combination of such services with other services such as voice services and complex managed services. Our competitors offer such services. Should the market come to favor such services our ability to acquire and keep customers would be impaired. Our competitors

may also upgrade their existing services or introduce new technologies or services, such as satellite- based Internet or 5G services that could make our services less attractive to potential customers. **Moreover, the continuous evolution of technology may empower our competitors to upgrade their existing services or introduce new, more advanced offerings that could potentially diminish our sales of VPN and colocation services. As a consequence, we may face challenges in acquiring and retaining customers.** Our business could suffer because telephone companies and cable companies may provide better delivery of certain Internet content, including content originating on their own networks, than content on the public Internet. Broadband connections provided by cable TV, telephone, and fixed and mobile companies have become the predominant means by which consumers connect to the Internet. The providers of these broadband connections may treat Internet content or other broadband content delivered from different sources differently. The possibility of this has been characterized as an issue of " net **Page 21 of** ~~neutrality~~ **90neutrality** . " As many of our customers operate websites and services that deliver content to consumers **,** our ability to sell our services would be negatively impacted if Internet content delivered by us was less easily received by consumers than Internet content delivered by others. The FCC had promulgated rules that would have banned practices such as blocking and throttling of Internet traffic, but those rules were rescinded by the FCC in December 2017. **In October 2023 the FCC voted to move ahead with a plan that would restore net neutrality rules and common- carrier regulation of Internet service providers. The proposal would reclassify broadband as a telecommunications service, a designation that allows the FCC to regulate ISPs under the common- carrier provisions in Title II of the Communications Act.** Some US states have either issued or are considering their own net neutrality rules. Also, the European Union and other countries in which we operate have issued similar net neutrality rules. We also do not know the extent to which the providers of broadband Internet access to consumers may favor certain content or providers in ways that may disadvantage us. ~~Page 19 of 75Operational~~ -- **Operational** RisksOur network may be the target of potential cyber- attacks and other security breaches that could have significant negative consequences. **We rely on computer systems, hardware, software, technology infrastructure and online sites and networks for both internal and external operations that are critical to our business (collectively, " IT Systems "). We own and manage some of these IT Systems but also rely on third parties for a range of IT Systems and related products and services, including but not limited to cloud computing services.** Our business depends on our ability to limit and mitigate interruptions to or degradation of the security of our network. We **face numerous and evolving cybersecurity risks that threaten the confidentiality, integrity and availability of our IT Systems, as well as trade secrets, intellectual property, personal information or other Company confidential information (collectively " Confidential Information "). We** are considered a critical infrastructure provider and therefore may be more likely to be the target of cyber- attacks. Our **IT** ~~network, systems~~ **Systems are subject** ~~, applications,~~ and ~~routers may be~~ vulnerable to unauthorized access **, social engineering / phishing, malware (including ransomware), malfeasance by insiders, human or technological error, and as a result of bugs, misconfigurations or exploited vulnerabilities in software or hardware** , computer viruses, cyber- attacks, distributed denial of service (" DDOS "), and other ~~security~~ **cybersecurity** ~~breaches~~ **risks** . We ~~experience such~~ **and our employees are the target of phishing attempts and compromised links, and our IT Systems are the target of attempts at unauthorized access, a small number of which have been successful in accessing non- critical areas of our IT Systems. Our customer- facing network firewall regularly suppresses** cyber- attacks and **our network routinely manages DDOS attacks. Although none of** ~~other~~ -- **the** ~~security~~ incidents ~~of varying degrees from time to time~~ , ~~though none which~~ individually or in the aggregate **,** ~~has led to costs or consequences which~~ have materially impacted our operations or business **, we cannot guarantee material incidents will not occur in the future** . An attack on or security breach of our network could result in theft ~~of trade secrets, intellectual property, or other company confidential~~ **Confidential** ~~information~~ **Information** , the interruption, degradation, or cessation of services, an inability to meet our service level commitments or our financial reporting obligations, and potentially compromise customer data stored on or transmitted over our network. ~~We have experienced cyber~~ **Cyber** - attacks ~~of~~ **are expected to accelerate on a global basis in frequency and magnitude as threat actors are becoming** ~~increasing~~ **increasingly** ~~sophistication~~ **sophisticated** ~~which suggest~~ **in using techniques** ~~an~~ **and** ~~increase in cyber-~~ **tools – including artificial intelligence – that circumvent security controls, evade detection and remove forensic evidence. As a result, we may be unable to detect, investigate, remediate or recover from future** attacks ~~that may be state- sponsored~~ **or incidents, or avoid a material adverse impact to** ~~or~~ **our** ~~conducted by other well- financed organizations~~ **IT Systems, Confidential Information or business** . Moreover, as cyber warfare becomes a tool in asymmetric conflicts between the United States and other nations, we, as a US provider, may be targeted with increasing frequency. We cannot guarantee that our security measures will not be circumvented, thereby resulting in security events, network failures or interruptions that could impact our network security or availability and have a material adverse effect on our business, our ability to meet our financial reporting obligations, financial condition and operational results. We may be required to expend significant resources to protect against such threats, and may experience a reduction in revenues, litigation **(including class action lawsuits)** , and a diminution in goodwill, caused by a compromise of our cybersecurity. Although our customer contracts limit our liability, affected customers and third parties may seek to recover damages from us under various legal theories **. We cannot guarantee that any costs and liabilities incurred in relation to an attack or incident will be covered by our existing insurance policies or that applicable insurance will be available to us in the future on economically reasonable terms or at all** . In response to past attacks, we have implemented further controls and taken and planned for other preventative actions to further strengthen our systems against future attacks. However, we cannot assure you that such measures will provide absolute security, that we will be able to react in a timely manner, or that our remediation efforts following any past or future attacks will be successful. **There can also be no assurance that our cybersecurity risk management program and processes, including our policies, controls or procedures, will be fully implemented, complied with or effective in protecting our IT Systems and Confidential Information. Any adverse impact to the availability, integrity or confidentiality of our IT Systems or Confidential Information can result in legal claims or proceedings (such as class actions), regulatory investigations and**

enforcement actions, fines and penalties, negative reputational Page 22 of 90impacts that cause us to lose existing or future customers, and / or significant incident response, system restoration or remediation and future compliance costs. Any or all of the foregoing could materially adversely affect our business, operating results, and financial condition. If the information systems that we depend on to support our customers, network operations, sales, billing and financial reporting do not perform as expected, our operations and our financial results may be adversely affected. We rely on complex information systems to operate our network and support our other business functions. Our ability to track sales leads, close sales opportunities, provision services, bill our customers for our services and prepare our financial statements depends upon the effective integration of our various information systems. In 2020, we developed and deployed our own customer relationship management software for our sales force. We may have difficulty maintaining this software and adding features that our sales representatives require. If our information systems, individually or collectively, fail or do not perform as expected, our ability to make sales, to process and provision orders, to make timely payments to vendors, to ensure that we collect amounts owed to us and prepare and file our financial statements would be adversely affected. Such failures or delays could result in increased capital expenditures, customer and vendor dissatisfaction, loss of business or the inability to add new customers or additional services, and the inability to prepare accurate and timely financial statements all of which would adversely affect our business and results of operations. **Our insurance coverage may be insufficient to fully protect against potential risks. We maintain various insurance policies, including liability, property, and others, to safeguard our company against insurable risks. Our choice of insurance types, coverage limits, and deductibles is determined by our unique risk profile, the balance between insurance costs and perceived benefits, and prevailing industry norms. There is a possibility that any of the insurance limits we secure, whether for flood or other risks, might be insufficient. Such inadequacy could significantly and negatively affect our business, financial health, and operational outcomes. Cogent has not signed a Legacy Registration Services Agreement with the American Registry for Internet Numbers (" ARIN ") or any other regional Internet registry (" RIR ") with respect to a substantial portion of our IPv4 addresses. Many of the IPv4 addresses we own were originally allocated prior to the creation of ARIN and the other RIRs. As such, ARIN requires us (and any other legacy resource holder) to enter into a Legacy Registration Services Agreement to obtain access to the full range of ARIN services, including, its Resource Public Key Infrastructure (" RPKI ") and Internet Routing Registry (" IRR "). We have elected not to enter into a Legacy Registration Services Agreement with ARIN. As a result, while the IPv4 addresses appear in the ARIN database as under our ownership and control and we have access to a limited set of ARIN services, the Company cannot implement RPKI on these IPv4 addresses. RPKI is a framework that enables network operators to secure routing infrastructure by associating IPv4 address ranges with autonomous system numbers. By doing so, RPKI greatly reduces the possibility of route hijacking and leaks when using Border Gateway Protocol (" BGP ") on the Internet. Our inability to obtain access to RPKI services and authentication may cause some customers to prefer to lease IPv4 addresses from companies that offer RPKI, leading to a loss of revenue for us. In addition, without RPKI, we are unable to monitor its network proactively with respect to these IPv4 addresses and these IPv4 addresses are at a greater risk for route hijacking. Moreover, since these IPv4 addresses do not have RPKI certification, the process for reclaiming a hijacked route is prolonged and requires the assistance of other network operators. This increased potential for route hijacking and longer recovery time may also result in some customers opting to lease IPv4 addresses from our competitors. Page 23 of** ~~Network~~ **90Network** Augmentation and Maintenance RisksOur network is comprised of a number of separate components, and we may be unable to obtain or maintain the agreements necessary to augment or maintain our network. Our network is primarily composed of (i) leased capacity on transoceanic optical fiber; (ii) terrestrial inter- city dark optical fiber; (iii) intra- city dark optical fiber; ~~and~~ (iv **) right- of - way agreements; and (v**) the buildings that we serve and the associated optical fiber connecting those buildings. We **both own and** lease **portions of** our optical fiber and obtain access to the buildings on our network, both CNDCs and MTOBs, from a number of vendors. A number of our leases, both for fiber and building access, are up for renewal in any given year. A deterioration in our existing relationship with these operators could impact our network, harm our sales and marketing efforts and could substantially reduce our potential customer base. In addition, portions of our long- haul optical fiber and metro optical fiber are nearing the end of their original projected useful life. While we believe that this fiber will remain usable beyond the projected end date, we face the risk that portions of our network may need to be replaced in the future. **We** ~~Page 20 of 75We~~ expect to enter additional agreements with carriers and operators to obtain additional facilities, whether optical fiber **, leased transoceanic capacity** or buildings, for our network in order to add capacity to our network and to expand our addressable market. However, we cannot assure you that we will be able to enter into such agreements in the future, be able to do so on economically attractive terms or find an adequate substitute if we are unable to reach an agreement. Failure to acquire new facilities to augment our network could keep us from adding new markets, capacity or buildings to our network and negatively impact our growth opportunities. Our off- net business could suffer delays and problems due to the actions of " last mile " providers on whom we are partially dependent. Our off- net customers are connected to our network by means of fiber optic capacity that are provided as services by local telephone and cable companies and others. We may experience problems with the installation, maintenance and pricing of these lines which could adversely affect our results of operations and our plans to add additional off- net customers to our network using such services. We have historically experienced installation and maintenance delays when the network provider is devoting resources to other services, such as traditional telephony, cable TV services and private network services. We have also experienced pricing problems when a lack of alternatives allows a provider to charge high prices for capacity in a particular area or to a particular building. We attempt to reduce this problem by using many different providers so that we have alternatives for linking an off- net customer to our network. Competition among the providers tends to improve installation intervals, maintenance and pricing. Additionally, these providers are often competing with us for the same customers ~~,~~ and have marketed their own service to our off- net customers when our initial contract with our customer nears the end of its term. Our business could suffer from an

interruption of service from our fiber providers. The optical fiber cable owners from whom we have obtained our inter- city and intra- city dark fiber maintain that dark fiber. We are contractually obligated under the agreements with these carriers to pay maintenance fees, and if we are unable to continue to pay such fees **,** we would be in default under these agreements. If these carriers fail to maintain the fiber or disrupt our fiber connections due to our default or for other reasons, such as business disputes with us, bankruptcy, and governmental takings, our ability to provide service in the affected markets or parts of markets would be impaired unless we have or can obtain alternative fiber routes. Some of the companies that maintain our inter- city dark fiber and some of the companies that maintain our intra- city dark fiber are also competitors of ours in portions of our business. Consequently, they may have incentives to act in ways unfavorable to us. While we have successfully mitigated the effects of prior service interruptions and business disputes in the past, we may incur significant delays and costs in restoring service to our customers in connection with future service interruptions, and as a result we may lose customers. **With the Sprint Business acquisition, our reliance on agreements with landowners has increased. Since the acquisition of the Sprint Business, our reliance on rights- of- way, license agreements, franchises, and authorizations from governmental bodies, railway companies, utilities, carriers, and other third parties has increased. These permissions allow us to place a portion of our network equipment on, over, or under their respective properties. However, a significant challenge is that some of these authorizations have set expiration dates within the next five to ten years, and renewing or extending them is essential. The potential adverse impact on our operations looms if any of these authorizations are canceled, terminated, or allowed to lapse, or if landowners request price increases. The uncertainty lies in our ability to successfully extend these arrangements upon expiration or establish new agreements necessary for executing our network expansion initiatives. We cannot guarantee our success in these endeavors, raising concerns about the continuity of our operations and our ability to capitalize on network expansion opportunities. Page 24 of 90Effects of climate change may impose risk of damage to our infrastructure, and our ability to provide services. Long- term climate change may give rise to extreme weather events, posing a direct threat to network facilities and impeding our ability to construct and maintain segments of our network. Such events could also disrupt suppliers, impacting their ability to deliver products and services essential for ensuring reliable network coverage. Any resulting disruptions have the potential to postpone our network deployment plans, interrupt customer services, escalate our operational costs, and adversely affect our overall operating results. The physical consequences of climate change, including heightened frequency and severity of storms, floods, fires, freezing conditions, and sea- level rise, could negatively impact our operations, infrastructure, and financial performance. Operational setbacks arising from these physical effects, such as damage to our network infrastructure, might lead to increased costs and revenue losses. To address these challenges, we may need to invest significantly in enhancing the climate resilience of our infrastructure and undertaking preparations, responses, and mitigation measures for the physical impacts of climate change. Despite these considerations, accurately predicting the materiality of potential losses or costs associated with these effects remains challenging. We are responsible for maintenance and repair of our owned fiber network. With the acquisition of the Sprint Business, our operations now include the ownership of a substantial fiber network. With this ownership, we assume the critical responsibility for the maintenance and repair of the entire fiber infrastructure. This introduces inherent risks that could impact our operational continuity. As we did not own a fiber network historically, the new responsibility necessitates an adjustment in our operational approach and poses challenges affecting the efficiency of maintenance activities. If we are unable to maintain our fiber or adequately and efficiently manage disruptions to our fiber network, our ability to provide services in the affected markets or parts of markets would be impaired unless we have or can obtain alternative fiber routes. In addition, we may incur unexpected and significant costs, delays or other difficulties in maintaining or repairing our fiber infrastructure, resulting in increased disruption in services to our customers. We may, as a result, lose revenue or customers.** Substantially all of our network infrastructure equipment is manufactured or provided by a ~~single~~ **limited number of** network infrastructure ~~vendor~~ **vendors** . We purchase **our network infrastructure equipment from a small circle of vendors. Historically, we purchased** from Cisco Systems, Inc. (" Cisco ") **all of** the routers and transmission equipment used in our network. We have ~~recently experienced delays in obtaining~~ **added a new provider for** certain ~~network~~ **types of IP transport** equipment **but Cisco remains our primary vendor for IP transport equipment. With the acquisition of the Sprint Business in 2023, we entered into an agreement to purchase routers and transmission** from ~~Cisco due to supply chain issues~~ **Ciena Corporation (" Ciena "). We use Ciena equipment for optical wave transport services** . If Cisco **or Ciena** fails to provide equipment on a timely basis or fails to meet our performance expectations, including in the event that ~~Cisco~~ **either vendor** fails to enhance, maintain, upgrade or improve ~~its~~ **the hardware or software** products ~~, hardware or software~~ we purchase from them when and how we need them, we may be delayed or unable to provide services as and when requested by our customers. We also may be unable to upgrade our network and face greater difficulty maintaining and expanding our network. Transitioning from Cisco **or Ciena** to another vendor **for the types of equipment each provides** would be disruptive because of the time and expense required to learn to install, maintain and operate the new vendor' s equipment and to operate a multi- vendor network. Any such disruption could increase our costs, decrease our operating efficiencies and have an adverse effect on our business, results of operations and financial condition. Cisco **or Ciena** may also be subject to litigation with respect to the technology on which we depend, including litigation involving claims of patent infringement. Such claims have been growing rapidly in the communications industry. Regardless of the merit of these claims, they can result in the diversion of technical and management personnel ~~,~~ or require us to obtain non- infringing technology or enter into license agreements for the technology on which we depend. There can be no assurance that such non- infringing technology or licenses will be available on acceptable terms and conditions, if at all. ~~In 2023, we entered into an agreement to purchase routers and transmission equipment used in our network from Ciena Corporation that will begin to diversify the suppliers of our network equipment. The Wireline Business also includes additional equipment vendors. Page 21 of 75International~~ -- **International** Operations RisksOur international operations expose us to

numerous risks. We have expanded our network into ~~51~~ **54** countries worldwide on every continent other than Antarctica. We continue to explore expansion opportunities. We have experienced difficulties, ranging from lack of dark fiber, to regulatory issues, to slower revenue growth rates from our operations in these markets. If we are not successful in developing our market presence in these regions, our operating results and revenue growth could be adversely impacted. **Page 25 of** ~~Our~~ **90Our** international operations involve a number of risks, including: ● fluctuations in currency exchange rates, particularly those involving the Euro as we are required to fund certain of our cash flow requirements of our operations outside of the United States; ● exposure to additional regulatory and legal requirements, including laws that may make it difficult or costly to enforce our contracts, import restrictions and controls, exchange controls, tariffs and other trade barriers and privacy and data protection regulations; ● compliance with laws regarding **privacy, trade restrictions, economic sanctions, and** corruption and bribery, including the United States Foreign Corrupt Practices Act; ● difficulties in staffing and managing our foreign operations; ● changes in political and economic conditions; and ● exposure to additional and potentially adverse tax regimes. As we continue to expand into other countries, our success will depend, in part, on our ability to anticipate and effectively manage these and other risks. Our failure to manage these risks and grow our operations outside the United States may have a material adverse effect on our business and results of operations. Litigation RisksAs an Internet service provider, we may incur liabilities for the content disseminated through our network or for network failures, delays or errors in transmissions. The law relating to the liabilities of ISPs for information carried on or disseminated through their networks is unsettled. As the law in this area develops and as we expand our international operations, the potential imposition of liabilities upon us for the behavior of our customers or the information carried on and disseminated through our network could require us to implement measures to reduce our exposure to such liabilities, which may require the expenditure of substantial resources or the discontinuation of certain products or service offerings. Any costs that are incurred as a result of such measures or the imposition of liabilities could have a material adverse effect on our business. **Page 26 of** ~~Regulatory~~ **90Regulatory** RisksExisting and proposed privacy regulations may impact our business. Many countries **in which we operate** , including the United States, are considering adopting, or have already adopted, privacy regulations ~~or~~ **,** laws **, rules or industry standards** that ~~would govern~~ **that apply generally to** the **handling of information about individuals** ~~way an Internet user' s data is used~~ . The primary impact of these rules ~~are~~ **is** on businesses that collect personal information about consumer users of their services. ~~We~~ **While we** do not provide services to individual consumers **, we receive, store, handle, transmit, use** and ~~do not~~ **otherwise process business information and information related to our employees, representatives of our business customers and service providers. This** ~~collect~~ **collection** ~~such~~ **of business information and the** personal information **of** ~~. However, we transmit data across the Internet, which data may include personal information collected by~~ our ~~customers. As the applicability~~ **employees subjects us to a number** of privacy regulations ~~to the types of services we provide remains unsettled~~ , **including** ~~we may be required to adopt additional measures in the future. Page 22 of 75Privacy regulations, such as~~ the General Data Protection Regulation (" GDPR ") in the European Union **. These regulations, among other things, require us to make certain disclosures about our privacy policies, limit our ability to process, retain and transfer such information and provide employees with certain rights in relation to the information we collect about them. We also transmit data across the Internet, which data may include personal information collected by our customers. As the applicability of privacy regulations to the types of services we provide remains unsettled, we may be required to adopt additional measures in the future. Privacy regulations, such as the General Data Protection Regulation in the European Union** and the California Consumer Privacy Act ~~(" CCPA ")~~ in California vary in scope and in the obligations they impose on us. As new laws are implemented or existing structures are declared insufficient, ~~such as the Privacy Shield program in place between the US and EU,~~ we may find it difficult to comply with such regulations or find it costly to do so. Moreover, for our customers who collect personal information, increased regulation of the collection, processing and use of personal data may impact their business and their use of services in unknown ways. **Any failure or perceived failure by us to comply with data privacy laws, rules, regulations, industry standards and other requirements could result in proceedings or actions against us by individuals, consumer rights groups, government agencies, or others. If any of these events were to occur, our business, results of operations, and financial condition could be materially adversely affected.** Changes in laws, rules, and enforcement could adversely affect us. We are not subject to substantial regulation by the FCC or the state public utilities commissions in the United States. Internet service is also subject to minimal regulation in Western Europe and in Canada. Elsewhere the regulation is greater, though not as extensive as the regulation for providers of voice services. However, governmental authorities may decide to impose additional regulation and taxes upon providers of Internet access and private network services. **In addition, the recent acquisition of the Sprint Business has made us subject to additional or duplicate regulatory obligations, particularly in the countries where the Sprint Business has subsidiaries and related to the Sprint Business.** All of these matters could inhibit our ability to remain a low- cost carrier and could have a material adverse effect on our business, financial condition and our results of operations. As with the privacy laws described earlier, much of the ~~laws~~ - **law** related to the liability of Internet service providers for content on the network and the behavior of our customers and their end users remains unsettled. Some jurisdictions have laws, regulations, or court decisions that impose obligations upon ISPs to restrict access to certain content. Other legal issues, such as the sharing of copyrighted information, data protection, trans- border data flow, unsolicited commercial email (" spam "), universal service, and liability for software viruses could become subjects of additional legislation and legal development and changes in enforcement policies. We cannot predict the impact of these changes on us. They could have a material adverse effect on our business, financial condition and our results of operations. Changes in laws, rules and enforcement may also adversely affect our customers. For example, a possible repeal or curtailing of Section 230 of the Communications Decency Act in the United States could have an adverse impact on our customers and, consequently, on us. While our top 25 customers represented approximately ~~6~~ **15** . ~~0~~ **2** % of our revenue for the year ended December 31, ~~2022~~ **2023** , several large net- centric customers are or may be the subject of increased regulatory scrutiny, which may impact their businesses and, consequently, their use of our services in

unknown ways. We may be required to censor content on the Internet, which we may find difficult to do and which may impact our ability to provide our services in some countries as well as impact the growth of Internet usage, upon which we depend. Some governments attempt to limit access to certain content on the Internet. It is impossible for us to filter all content that flows across the Internet connections we provide. For example, some content is encrypted when a secure website is accessed. It is difficult to limit access to websites by blocking a fixed set of Internet addresses when the website operators engage in practices that make it difficult to block them. Should any government require us to perform these types of blocking procedures we could experience **Page 27 of** ~~difficulties~~ **90difficulties** ranging from incurring additional expenses to ceasing to provide service in that country. We could also be subject to penalties if we fail to implement the censorship. Tax RisksGovernments may assert that we are liable for taxes which we have not collected from our customers or paid to our vendors **,** and we may have to begin collecting a multitude of taxes if Internet services become subject to taxation similar to the taxation of telephone service. In the United States, Internet services are generally not subject to taxes. Consequently, in the United States we collect few taxes from our customers even though most telecommunications services are subject to numerous taxes. Various local jurisdictions have asserted or may assert that some of our operations or services should be subject to local taxes. If such jurisdictions assess taxes on prior years we may be subject to a liability for unpaid taxes that we may be unable to collect from our customers or former customers. If the taxation of Internet service is expanded **,** we will need to collect those taxes from our customers. The process of implementing a system to properly bill and collect such taxes may require significant resources. In addition, the FCC is considering changes to its Universal Services Fund that could result in its application to Internet services. This too would require that we expend resources to collect this tax. Finally, the cumulative effect of these taxes levied on Internet services could discourage potential customers from using Internet services to replace traditional telecommunication services and negatively impact our ability to grow our business. ~~Page 23 of 75Our~~ -- **Our** private network services, such as our VPN services, are subject to taxes and fees in various jurisdictions including the Universal Service Contribution tax in the US. We believe we collect all required taxes ~~,~~ **;** however, a jurisdiction may assert we have failed to collect certain taxes. The expense of paying any unpaid taxes could be substantial and we might not be able to collect such back taxes from our customers. We are subject to value-added taxes and other taxes in many jurisdictions outside of the United States. We are also subject to audit of our tax compliance in numerous jurisdictions. These may result in the assessment of amounts due that are material and therefore would have an adverse effect on us. The utilization of certain of our net operating loss carryforwards is limited and depending upon the amount of our taxable income we may be subject to paying income taxes earlier than planned. Section 382 of the Internal Revenue Code in the United States limits the utilization of net operating losses when ownership changes, as defined by that section, occur. We have performed an analysis of our Section 382 ownership changes and have determined that the utilization of certain of our net operating loss carryforwards in the United States is limited. Further, recent changes to the tax law in the United States and changes to tax laws in other jurisdictions in which we operate may impact our utilization of our net operating losses. Risk Factors Related to Our IndebtednessWe have substantial debt which we may not be able to repay when due. Our total indebtedness, at par, at December 31, ~~2022~~ **2023** was $ 1. ~~3~~ **5** billion and includes $ 500. 0 million of our 3. 50 % senior secured notes due in May 2026 (" 2026 Notes ") and $ 450. 0 million of our 7. 00 % senior unsecured notes due in June 2027 (" 2027 Notes "). Our 2026 Notes require annual interest payments of $ 17. 5 million per year and our 2027 Notes require interest payments of $ 31. 5 million per year, each paid semi- annually. All of our noteholders have the right to be paid the principal upon default and upon certain designated events, such as certain changes of control. Our total indebtedness at December 31, ~~2022~~ **2023** included $ ~~304~~ **484** . ~~2~~ **5** million of finance lease obligations for dark fiber primarily under 15 to ~~44~~ **43** year IRUs. Our total indebtedness at December 31, ~~2022~~ **2023** excludes $ ~~106~~ **398** . ~~6~~ **1** million of operating lease liabilities which were required to be recorded as right- to- use assets and operating lease liabilities ~~in connection with the adoption of ASU No. 2016-02 Leases on January 1, 2019~~ . The amount of our IRU finance lease obligations may be impacted due to our expansion activities, the timing of payments and fluctuations in foreign currency rates. We may not have sufficient funds to pay the interest and principal related to these obligations at the time we are obligated to do so, which could result in bankruptcy, or we may only be able to raise the necessary funds on unfavorable terms. We have assumed the risk associated with variable interest rates under our interest rate swap agreement. We are party to an interest rate swap agreement (the " Swap Agreement ") that has the economic effect of modifying the fixed interest rate obligation associated with our 2026 Notes to a variable interest rate obligation based on the Secured Overnight Financing Rate (" SOFR ") so that the interest payable on the 2026 Notes effectively became variable based on overnight SOFR. The critical **Page 28 of** ~~terms~~ **90terms** of the Swap Agreement match the terms of the 2026 Notes, including the notional amount and the optional redemption date on February 1, 2026. Under the Swap Agreement, we pay the counterparty a semi- annual payment based upon overnight SOFR plus a contractual interest rate spread, and the counterparty pays us a semi- annual fixed 3. 50 % interest payment. The settlement payment is made each November and May until the Swap Agreement expires in February 2026. By entering into the Swap Agreement, we have assumed the risk associated with variable interest rates. Changes in interest rates affect the valuation of the Swap Agreement that we recognize in our consolidated statements of comprehensive income. Our substantial level of indebtedness could adversely affect our financial condition and prevent us from fulfilling our obligations under our notes and our other indebtedness. We have substantial indebtedness. Our substantial debt may have important consequences. For instance, it could: ● make it more difficult for us to satisfy our financial obligations, including those relating to our debt; ● require us to dedicate a substantial portion of any cash flow from operations to the payment of interest and principal due under our debt, which will reduce funds available for other business purposes, including the growth of our operations, **integration of the Sprint Business,** capital expenditures, dividends, purchases of our common stock and acquisitions; ~~Page 24 of 75~~ ● place us at a competitive disadvantage compared with some of our competitors that may have less debt and better access to capital resources; and ● limit our ability to obtain additional financing required to fund working capital and capital expenditures, for strategic acquisitions and for other general corporate purposes. Our ability to satisfy our obligations including our debt depends on our future operating performance and on

economic, financial, competitive and other factors, many of which are beyond our control. Our business may not generate sufficient cash flow, and future financings may not be available to provide sufficient net proceeds, to meet these obligations or to successfully execute our business strategy. Despite our leverage we may still be able to incur more debt. This could further exacerbate the risks that we and our subsidiaries face. We and our subsidiaries may incur additional indebtedness, including additional secured indebtedness, in the future. The terms of our debt indentures restrict, but do not completely prohibit, us from doing so. In addition, the indentures allow us to issue additional notes and other indebtedness secured by the collateral under certain circumstances. Moreover, we are not prevented from incurring other liabilities that do not constitute indebtedness as defined in the indentures, including additional operating leases obligations and finance lease obligations in the form of IRUs. These liabilities may represent claims that are effectively prior to the claims of our note holders. If new debt or other liabilities are added to our debt levels **,** the related risks that we and our subsidiaries now face could intensify. The agreements governing our various debt obligations impose restrictions on our business and could adversely affect our ability to undertake certain corporate actions. The agreements governing our various debt obligations include covenants imposing significant restrictions on our business. These restrictions may affect our ability to operate our business and may limit our ability to take advantage of potential business opportunities as they arise. These covenants place restrictions on our ability to, among other things: ● incur additional debt; ● create liens; ● make certain investments; ● enter into certain transactions with affiliates; ● declare or pay dividends, redeem stock or make other distributions to stockholders; **andPage 29** ~~and ● consolidate, merge or transfer or sell all or substantially all~~ of **90** ~~our assets. Our ability to comply with these agreements may be affected by events beyond our control, including prevailing economic, financial and industry conditions. These covenants could have an adverse effect on our business by limiting our ability to take advantage of financing, merger and acquisition or other corporate opportunities. The breach of any of these covenants or restrictions could result in a default under the agreements governing our debt obligations. To service our indebtedness, we will require a significant amount of cash. However, our ability to generate cash depends on many factors, many of which are beyond our control. Our ability to make payments on and to refinance our indebtedness and to fund planned capital expenditures will depend on our ability to generate cash in the future, which, in turn, is subject to general economic, financial, competitive, regulatory and other factors, many of which are beyond our control. Page 25 of 75~~