Risk Factors Comparison 2024-02-16 to 2023-02-17 Form: 10-K

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In addition to the other information contained in this report, the following risk factors should be considered carefully in evaluating our business: Risk Factors Risks Related to the Macro Environment Inflation in the global economy, increased interest rates **, political dissension** and adverse global economic conditions, like the ones we are currently experiencing, could negatively affect our business and financial condition. Inflation ~~in the United States, Europe and other geographies has risen to levels not experienced in recent decades and we are seeing its~~ - **is** ~~impact~~ **impacting** ~~on~~ various aspects of our business. We are also experiencing an increase in our costs to procure power and supply chain issues globally. Rising prices for materials related to our IBX data center construction and our data center offerings, energy and gas prices, as well as rising wages and benefits costs negatively impact our business by increasing our operating costs. **Further, disagreement in the U. S. Congress on government spending levels could increase the possibility of a government shutdown, further adversely affecting global economic conditions.** The ~~levels of inflation~~ **adverse economic conditions** we are currently experiencing may cause a decrease in sales as some customers may need to take cost cutting measures or scale back their operations. This could result in churn in our customer base, reductions in revenues from our offerings, adverse effects to our **days of sales outstanding in accounts receivable ("** DSO **")** , longer sales cycles, slower adoption of new technologies and increased price competition, which could adversely affect our liquidity. Customers and vendors filing for bankruptcy could also lead to costly and time- intensive actions with adverse effects, including greater difficulty or delay in accounts receivable collection. The uncertain economic environment could also have an impact on our foreign exchange forward contracts if our counterparties' credit deteriorates or if they are otherwise unable to perform their obligations. ~~Finally~~ **Further** , volatility in the financial markets **and rising interest rates** like we are currently experiencing could affect our ability to access the capital markets at a time when we desire, or need, to do so which could have an impact on our flexibility to pursue additional expansion opportunities and maintain our desired level of revenue growth in the future. Our efforts to mitigate the risks associated with these adverse conditions may not be successful and our business and growth could be adversely affected. We are currently operating in a period...... Report on Form 10- K. Our business could be harmed by increased costs to procure power, prolonged power outages, shortages or capacity constraints as well as **insufficient** ~~restrictions on~~ access to power. Any power outages, shortages, capacity constraints or significant increases in the cost of power may have an adverse effect on our business and our results of operations. In each of our markets, we rely on third parties, third party infrastructure, governments, and global suppliers to provide a sufficient amount of power to maintain our IBX data centers and meet the needs of our current and future customers. Any limitation on the delivered energy supply could limit our ability to operate our IBX data centers. These limitations could have a negative impact on a given IBX data center (s) or limit our ability to grow our business which could negatively affect our financial performance and results of operations **. Each new facility requires access to significant quantities of electricity. Limitations on generation, transmission and distribution may limit our ability to obtain sufficient power capacity for potential expansion sites in new or existing markets. Utility companies may impose onerous operating conditions to any approval or provision of power or we may experience significant delays and substantial increased costs to provide the level of electrical service required by our current or future IBX data center designs. Our ability to find appropriate sites for expansion may also be limited by access to power, especially as we design our data centers to the specifications of new and evolving technologies such as artificial intelligence which are more power- intensive** . Our IBX data centers are affected by problems accessing electricity sources, such as planned or unplanned power outages and limitations on transmission or distribution of power. Unplanned power outages, including, but not limited to those relating to large storms, earthquakes, fires, tsunamis, ~~cyberattacks~~ **cyber- attacks, physical attacks on utility infrastructure** , war, and any failures of electrical power grids more generally, and planned power outages by public utilities, such as ~~those related to~~ Pacific Gas and Electric Company' s **practice of** planned outages in California to minimize fire risks, could harm our customers and our business. Employees working from home could be subjected to ~~planned~~ power outages at home which could be difficult to track and could affect the day **-** to **-** day operations of our non- IBX data center employees. Our international operations are sometimes located outside of developed, reliable electricity markets, where we are exposed to some insecurity in supply associated with technical and regulatory problems, as well as transmission constraints. Some of our IBX data centers are located in leased buildings where, depending upon the lease requirements and number of tenants involved, we may or may not control some or all of the infrastructure including generators and fuel tanks. As a result, in the event of a power outage, we could be dependent upon the landlord, as well as the utility company, to restore the power. We attempt to limit our exposure to system downtime by using backup generators, which are in turn supported by onsite fuel storage and through contracts with fuel suppliers, but these measures may not always prevent downtime or solve for long- term or large- scale outages. Any outage or supply disruption could adversely affect our business, customer experience and revenues. We are currently experiencing inflation and volatility pressures in the energy market globally. ~~In particular, current dislocation in the Singapore power market has resulted in Equinix having to buy power at extremely elevated spot and future rates and this ongoing price volatility impacted elements of our 2022 financial results and long- term models.~~ Various macroeconomic factors are contributing to the instability and global power shortage including the Russia and Ukraine war, ~~the COVID- 19 pandemic,~~ severe weather events, governmental regulations, government relations and inflation. ~~The price for power in many of the countries in which we operate has seen significant increases in recent months, and it is unclear when the markets will stabilize.~~ While we have aimed to minimize our risk **,** ~~exposure related to power procurement in Singapore and globally~~ via hedging, conservation, and other efficiencies, we expect the cost for power to continue to be volatile and unpredictable and subject to inflationary pressures. We believe we have made appropriate estimates for these costs in our forecasting **,** but the current unpredictable energy market could materially affect our financial forecasting, results of operations and financial condition. ~~Each new facility requires access~~ **The ongoing military conflicts between Russia and Ukraine and in the Middle East could negatively affect our business and financial condition. The war in Ukraine has led** to **market disruptions, including** significant ~~quantities of electricity~~ **volatility in commodity prices, credit and capital markets, an increase in cybersecurity incidents as well as supply chain disruptions** . ~~Limitations~~ **Additionally, various of Russia' s actions have led to sanctions and other penalties being levied by the U. S., the European Union, the United Kingdom, and other countries, as well as other public and private actors and companies, against Russia and certain other geographic areas, including agreement to remove certain Russian financial institutions from the Society for Worldwide Interbank Financial Telecommunication payment system and restrictions** on ~~generation~~ **imports of Russian oil** , ~~transmission~~ **liquified natural gas** and ~~distribution may~~ **coal. We do not have operations in Russia or Ukraine and historically we have had a** ~~limit~~ **limited number of Russian and Ukrainian customers, which we continue to screen against applicable sanctions lists per** our **standard processes. Although we continue to devote resources to this screening effort, including the use of software solutions, the sanctions screening process remains partially manual, and the sanctions lists continue to evolve and vary by country. We continue to address necessary changes in global sanctions laws and modify our processes as necessary in light of these evolving laws. A material failure to comply with global sanctions laws could have a negative effect on our reputation, business and financial condition. In addition to compliance with applicable sanctions laws, we are currently limiting the** ability ~~all activities and purchasing~~ **of Russian customers to place orders for our offerings unless,after reviewing these orders,we believe they are aligned** with ~~and through~~ **our stated objectives in support of Ukraine.We do not allow purchases from** Russian partners ~~and~~ **or** suppliers and have committed to not make any direct or indirect investment in Russia absent an end to this conflict.In addition,for our customers located in Ukraine,we are currently providing offerings free of charge and may continue to do so in the future.The associated disruptions in the oil and gas markets have caused,and could continue to cause,significant increases in energy prices,which could have a material effect on our business.Additional potential sanctions and penalties have also been proposed and / or threatened. ~~Some of our IBX data centers in EMEA partially rely on energy produced in- part from fossil fuels originating from Russia,which Russia has reduced.~~ If Russia further reduces or turns off energy supplies to Europe,our EMEA operations could be adversely affected.Russian military actions and the resulting sanctions could further affect the global economy and financial markets and lead to instability and lack of liquidity in capital markets,potentially making it more difficult for us ~~to~~ to obtain **additional debt** ~~sufficient power capacity for~~ - **or** ~~potential expansion sites~~ **equity financing on attractive terms** in **the future** ~~new or existing markets~~ . ~~We may experience significant delays~~ **In the case of the Middle East conflict, the current situation is extremely volatile. It is possible that such events will continue to adversely impact the level of economic activity globally** and ~~substantial~~ **that we will face** increased ~~costs demanded by~~ **regulatory and legal complexities in** the ~~utilities to provide the level~~ **regions affected thus impacting our business and employees, our financial condition and results** of ~~electrical service required by~~ **operations. Additionally, any sustained military action in the area of the Red Sea could contribute to supply chain challenges. Prolonged unfavorable economic conditions** ~~our~~ - **or** ~~current IBX data center designs~~ **uncertainty, including as a result of the military conflict between Russia and Ukraine or in the Middle East, may adversely affect our business, financial condition, and results of operations. Any of the foregoing may also magnify the impact of other risks described in this Annual Report on Form 10- K** . Risks Related to our Operations We experienced **a** ~~an information technology security~~ **cybersecurity** ~~breach~~ **incident** in the past and may be vulnerable to future security breaches, which could disrupt our operations and have a material adverse effect on our business, results of operation and financial condition. Despite our efforts to protect against cyber- attacks, we are not fully insulated from ~~these types of security breaches, and~~ such **threats** ~~an attack could adversely impact our competitiveness and results of operations~~ . For example, in September 2020, we discovered ransomware on certain of our internal systems. While the incident was resolved and did not cause a material disruption to our systems nor result in any material costs to us, we expect we will continue to face risks associated with unauthorized access to our computer systems, loss or destruction of data, computer viruses, ransomware, malware, distributed denial- of- service attacks or other malicious activities. **In the course of our business we utilize vendors and other partners who are also sources of cyber risks to us.In addition,our adaptation to a hybrid working model,that includes both work from home and in an office,could expose us to new security risks** .We offer professional solutions to our customers where we consult on data center solutions and assist with implementations.We also offer managed services in certain of our foreign jurisdictions outside of the U.S.where we manage the data center infrastructure for our customers.The access to our clients' networks and data,which is gained from ~~these solutions,creates some risk that our clients' networks or data could be improperly accessed.We may also design our clients' cloud storage systems in such a way that exposes our clients to increased risk of data breach.If we were held responsible for any such These~~ **these** ~~threats~~ **solutions, creates some risk that our clients' networks or data could be improperly accessed. We** may **also design our clients' cloud storage systems in such a way that exposes our clients to increased risk of data breach. If we were held responsible for any such breach, it could** result ~~from human error~~ **in a significant loss to us** , **including damage to** ~~equipment failure, fraud or~~ **our client relationships** ~~malice on the part of employees~~ , ~~vendors~~ **harm to** ~~or~~ **our** ~~third parties~~ **brand and reputation, and legal liability** . As techniques used to breach security change frequently and are generally not recognized until launched against a target, we may not be able to promptly detect that a cyber breach has occurred, or implement security measures in a timely manner or, if and when implemented, we may not be able to determine the extent to which these measures could be circumvented. **Recent developments in the cyber** ~~Our adaptation to a hybrid working model that~~ **threat landscape** ~~includes~~ - **include** ~~both work from home~~ **use of artificial intelligence** and ~~in~~ **machine learning, as well as** an ~~office could continue to expose~~ **increased number of cyber extortion and ransomware attacks, with the potential for higher financial ransom demand amounts and increasing sophistication and**

variety of ransomware techniques and methodology. Further, any adoption of artificial intelligence by us ~~to~~ **or by third parties may pose** new security ~~risks~~ **challenges** . A party who is able to compromise the security measures on our networks or the security of our infrastructure could misappropriate **the** ~~either our~~ proprietary **or sensitive** information **of Equinix, our customers, including government customers,** or the personal information of ~~our customers or~~ our employees, or cause interruptions or malfunctions in our operations or our customers' operations. As we provide assurances to our customers that we provide a high level of security, such a compromise could be particularly harmful to our brand and reputation. We **also** may be required to expend significant capital and resources to protect against such threats or to alleviate problems caused by **cyber** breaches in **our physical or virtual** security **systems** . Any breaches that may occur in the future could expose us to increased risk of lawsuits, regulatory penalties, loss of existing or potential customers, damage relating to loss of proprietary information, harm to our reputation and increases in our security costs, which could have a material adverse effect on our financial performance and results of operations **. The cybersecurity regulatory landscape continues to evolve and compliance with the proposed reporting requirements could further complicate our ability to resolve cyber- attacks** . We maintain insurance coverage for cyber risks, but such coverage may be unavailable or insufficient to cover our losses . We offer professional solutions to our...... brand and reputation, and legal liability . Any failure of our physical infrastructure or negative impact on our ability to meet our obligations to our customers, or damage to customer infrastructure within our IBX data centers, could lead to significant costs and disruptions that could reduce our revenue and harm our business reputation and financial condition. Our business depends on providing customers with highly reliable solutions. We must safeguard our customers' infrastructure and equipment located in our IBX data centers and ensure our IBX data centers and non- IBX ~~offices~~ **business operations** remain operational at all times. We own certain of our IBX data centers, but others are leased by us, and we rely on the landlord for basic maintenance of our leased IBX data centers and office buildings **and, in some cases, the landlord is responsible for the infrastructure that runs the building such as power connections, UPSs and backup power generators** . If such landlord has not maintained a leased property sufficiently, we may be forced into an early exit from the center which could be disruptive to our business. Furthermore, we continue to acquire IBX data centers not built by us. If we discover that these buildings and their infrastructure assets are not in the condition we expected when they were acquired, we may be required to incur substantial additional costs to repair or upgrade the IBX data centers. Newly acquired data centers also may not have the same power infrastructure and design in place as our own IBX data centers. These legacy designs could require upgrades in order to meet our standards and our customers' expectations. Until the legacy systems are brought up to our standards, customers in these ~~legacy~~ IBX data centers could be exposed to higher risks of unexpected power outages. We have experienced power outages because of these legacy design issues in the past and we could experience these in the future. Problems at one or more of our IBX data centers or corporate offices, whether or not within our control, could result in service interruptions or significant infrastructure or equipment damage. These could result from numerous factors, including but not limited to: • human error; • equipment failure; • physical, electronic and ~~cyber security~~ **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 such as the COVID- 19 pandemic; • inability of our operations employees to access our IBX data centers for any reason; and • failure of business partners who provide our resale products. We have service level commitment obligations to certain customers. As a result, service interruptions or significant equipment damage in our IBX data centers could result in difficulty maintaining service level commitments to these customers and potential claims related to such failures. Because our IBX data centers are critical to many of our customers' businesses, service interruptions or significant equipment damage in our IBX data centers could also result in lost profits or other indirect or consequential damages to our customers. We cannot guarantee that a court would enforce any contractual limitations on our liability in the event that one of our customers brings a lawsuit against us as a result of a problem at one of our IBX data centers and we may decide to reach settlements with affected customers irrespective of any such contractual limitations. Any such settlement may result in a reduction of revenue under U. S. generally accepted accounting principles (" GAAP"). 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 results of operations. Furthermore, we are dependent upon internet service providers, telecommunications carriers and other website operators in the Americas, Asia- Pacific and EMEA regions and elsewhere, some of which have experienced significant system failures and electrical 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 materially and adversely impacted. Our IBX data center employees are critical to our ability to maintain our business operations and reach our service level commitments. Although we have redundancies built into our workforce, if our IBX employees are unable to access our IBX data centers for any reason, we could experience operational issues at the affected site. Pandemics, weather and climate related crises or any other social, political, or economic disruption in the U. S. or abroad could prevent sufficient staffing at our IBX data centers and have a material adverse impact on our operations. We are currently making significant investments in our back- office information technology systems and processes. Difficulties from or disruptions to these efforts may interrupt our normal operations and adversely affect our business and results of operations. We have been investing heavily in our back- office information technology systems and processes for a number of years and expect such investment to continue for the foreseeable future in support of our pursuit of global, scalable solutions across all geographies and functions that we operate in. These continuing investments include: 1) ongoing improvements to the customer experience from initial quote to customer billing and our revenue recognition process; 2) integration of recently ~~-~~acquired operations onto our various information technology systems; and 3) implementation of new tools and technologies to either further streamline and automate processes, or to support our compliance with evolving U. S. GAAP. Our finance team is also working on a multi- year project to move the backbone of our finance systems to the cloud. As a result of our continued work on these projects, we may experience difficulties with our systems, management distraction and significant business disruptions. For example, difficulties with our systems may interrupt our ability to accept and deliver customer orders and may adversely impact our overall financial operations, including our accounts payable, accounts receivables, general ledger, fixed assets, revenue recognition, close processes, internal financial controls and our ability to otherwise run and track our business. We may need to expend significant attention, time and resources to correct problems or find alternative sources for performing these functions. All of these changes to our financial systems also create an increased risk of deficiencies in our internal controls over financial reporting until such systems are stabilized. Such significant investments in our back- office systems may take longer to complete and cost more than originally planned. In addition, we may not realize the full benefits we hoped to achieve and there is a risk of an impairment charge if we decide that portions of these projects will not ultimately benefit us or are de- scoped. Finally, the collective impact of these changes to our business has placed significant demands on impacted employees across multiple functions, increasing the risk of errors and control deficiencies in our financial statements, distraction from the effective operation of our business and difficulty in attracting and retaining employees. Any such difficulties or disruptions may adversely affect our business and results of operations. The level of insurance coverage that we purchase may prove to be inadequate. We carry liability, property, business interruption and other insurance policies to cover insurable risks to our company. We select the types of insurance, the limits and the deductibles based on our specific risk profile, the cost of the insurance coverage versus its perceived benefit and general industry standards. Our insurance policies contain industry standard exclusions for events such as war and nuclear reaction. We purchase earthquake insurance for certain of our IBX data centers, but for our IBX data centers in high- risk zones, including those in California and Japan, we have elected to self- insure. The earthquake and flood insurance that we do purchase would be subject to high deductibles. Any of the limits of insurance that we purchase, including those for flood or cyber risks, could prove to be inadequate, which could materially and adversely impact our business, financial condition and results of operations. If we are unable to implement our evolving organizational structure **,** or if we are unable to recruit or retain key executives and qualified personnel, our business could be harmed. In connection with the evolving needs of our customers and our business, we continue to review our organizational architecture and have made, and will continue to make, changes as appropriate ~~, including recently announced leadership and organizational changes to our digital and data center solutions teams~~ . We must also continue to identify, hire, train and retain key personnel who maintain relationships with our customers and who can provide the technical, strategic and marketing skills required for our company' s growth. There is a shortage of qualified personnel in these fields ~~, made more acute in the current tight labor market~~ , and we compete with other companies for the limited pool of talent. The failure to recruit and retain necessary key executives and personnel could cause disruption, harm our business and hamper our ability to grow our company. The failure to obtain favorable terms when we renew our IBX data center leases, or the failure to renew such leases, could harm our business and results of operations. While we own certain of our IBX data centers, others are leased under long- term arrangements. These leased IBX data centers have all been subject to significant development by us in order to convert them from, in most cases, vacant buildings or warehouses into IBX data centers. Most of our IBX data center leases have renewal options available to us. However, many of these renewal options provide for the rent to be set at then- prevailing market rates. To the extent that then- prevailing market rates or negotiated rates are higher than present rates, these higher costs may adversely impact our business and results of operations, or we may decide against renewing the lease. There may also be changes in shared operating costs in connection with our leases, which are commonly referred to as common area maintenance expenses. In the event that an IBX data center lease does not have a renewal option, or we fail to exercise a renewal option in a timely fashion and lose our right to renew the lease, we may not be successful in negotiating a renewal of the lease with the landlord. A failure to renew a lease or termination by a landlord of any lease could force us to exit a building prematurely, which could disrupt our business, harm our customer relationships, impact and harm our joint venture relationships, expose us to liability under our customer contracts or joint venture agreements, cause us to take impairment charges and affect our results of operations negatively. We depend on a number of third parties to provide internet connectivity to our IBX data centers; if connectivity is interrupted or terminated, our results of operations and cash flow could be materially and adversely affected. The presence of diverse telecommunications carriers' fiber networks in our IBX data centers is critical to our ability to retain and attract new customers. We are not a telecommunications carrier, and as such, we rely on third parties to provide our customers with carrier services. We believe that the availability of carrier capacity will directly affect our ability to achieve our projected results. We rely primarily on revenue opportunities from the telecommunications carriers' customers to encourage them to invest the capital and operating resources required to connect from their data centers to our IBX data centers. Carriers will likely evaluate the revenue opportunity of an IBX data center based on the assumption that the environment will be highly competitive. We cannot provide assurance that each and every carrier will elect to offer its services within our IBX data centers or that once a carrier has decided to provide internet connectivity to our IBX data centers that it will continue to do so for any period of time. Our new IBX data centers require construction and operation of a sophisticated redundant fiber network. The construction required to connect multiple carrier facilities to our IBX data centers is complex and involves factors outside of our control, including regulatory processes and the availability of construction resources. Any hardware or fiber failures on this network may result in significant loss of connectivity to our new IBX data center expansions. This could affect our ability to attract new customers to these IBX data centers or retain existing customers. To date, the network neutrality of our IBX data centers and the variety of networks available to our customers has often been a competitive advantage for us. In certain of our **markets** ~~acquired IBX data centers in the Asia- Pacific region~~ , the limited number of carriers available reduces that advantage. As a result, we may need to adapt our key revenue- generating offerings and pricing to be competitive in those markets. If the establishment of highly diverse internet connectivity to our IBX data centers does not occur, is materially delayed or is discontinued, or is subject to failure, our results of operations and financial condition will be adversely affected. The use of high **-** power density equipment may limit our ability to fully utilize our older IBX data centers. Server technologies continue to evolve and in some instances these changes can result in customers increasing their use of high **-** power density equipment in our IBX data centers which can increase the demand for power on a per cabinet basis. **Additionally, the workloads related to new and evolving technologies such as artificial intelligence will increase the demand for high density computing power.** Because many of our IBX data centers were built a number of years ago, the current demand for power may exceed the designed electrical capacity in these IBX data centers. As power, not space, is a limiting factor in many of our IBX data centers, our ability to fully utilize those IBX data centers may be impacted. The ability to increase the power capacity of an IBX data center, should we decide to, is dependent on several factors including, but not limited to, the local utility' s ability to provide additional power; the length of time required to provide such power; and / or whether it is feasible to upgrade the electrical **and mechanical** infrastructure of an IBX data center to deliver additional power **and cooling** to customers. Although we are currently designing and building to a higher power specification than that of many of our older IBX data centers, **and are considering redevelopment of certain sites where appropriate,** there is a risk that demand ~~will~~ **could** continue to increase **, or our redevelopment may not be successful,** and our IBX data centers could become underutilized sooner than expected. **Risks Related to our Offerings and Customers** Our offerings have a long sales cycle that may harm our revenue and results of operations. A customer' s decision to purchase our offerings typically involves a significant commitment of resources. In addition, some customers will be reluctant to commit to locating in our IBX data centers until they are confident that the IBX data center has adequate carrier connections. As a result, we have a long sales cycle. Furthermore, we may devote significant time and resources to pursuing a particular sale or customer that does not result in revenues **. Instability in the markets and the current macroeconomic environment could also increase delays in our sales cycle** . Delays due to the length of our sales cycle may materially and adversely affect our revenues and results of operations, which could harm our ability to meet our forecasts and cause volatility in our stock price. We may not be able to compete successfully against current and future competitors. The global multi- tenant data center market is highly fragmented. It is estimated that we are one of more than 2, 200 companies that provide these offerings around the world. We compete with these firms which vary in terms of their data center offerings and the geographies in which they operate. We must continue to evolve our product strategy and be able to differentiate our IBX data centers and product offerings from those of our competitors. Some of our competitors may adopt aggressive pricing policies, especially if they are not highly leveraged or have lower return thresholds than we do. As a result, we may suffer from pricing pressure that would adversely affect our ability to generate revenues. Some of these competitors may also provide our target customers with additional benefits, including bundled communication services or cloud services, and may do so in a manner that is more attractive to our potential customers than obtaining space in our IBX data centers. Similarly, with growing acceptance of cloud- based technologies, we are at risk of losing customers that may decide to fully leverage cloud infrastructure offerings instead of managing their own. Competitors could also operate more successfully or form alliances to acquire significant market share. Regional competitors may also consolidate to become a global competitor. Consolidation of our customers and / or our competitors may present a risk to our business model and have a negative impact on our revenues. Failure to compete successfully may materially adversely affect our financial condition, cash flows and results of operations. If we cannot continue to develop, acquire, market and provide new offerings or enhancements to existing offerings that meet customer requirements and differentiate us from our competitors, our results of operations could suffer. As our customers evolve their IT strategies, we must remain flexible and evolve along with new technologies and industry and market shifts. ~~Ineffective planning and execution in our cloud and product development strategies may cause difficulty in sustaining our competitive advantages.~~ The process of developing and acquiring new offerings and enhancing existing offerings is complex. If we fail to anticipate customers' evolving needs and expectations or do not adapt to technological and IT trends, our results of operations could suffer. ~~In order to adapt effectively~~ -- **Ineffective planning and execution in** ~~, we sometimes must make long- term investments, develop, acquire or~~ **our** ~~obtain certain intellectual property~~ **cloud, artificial intelligence** and ~~commit significant resources before knowing whether~~ **product development strategies may cause difficulty in sustaining** our **competitive advantages** ~~predictions will accurately reflect customer demand for the new offerings~~ . Additionally, any delay in the development, acquisition, marketing or launch of a new offering could result in customer dissatisfaction or attrition. If we cannot continue adapting our products, or if our competitors can adapt their products more quickly than us, our business could be harmed. **In order to adapt effectively, we sometimes must make long- term investments, develop, acquire or obtain certain intellectual property and commit significant resources before knowing whether our predictions will accurately reflect customer demand for the new offerings.** We ~~have invested in joint ventures in order to develop capacity to serve the large~~ -- **are** ~~footprint needs~~ **currently making significant investments** of **resources in expanding** ~~a targeted set of hyperscale customers by leveraging existing capacity and dedicated hyperscale builds. We have announced our intention to seek additional joint ventures for certain of our hyperscale builds. There can be no assurances that our joint ventures will be successful or~~ **our digital services portfolio** ~~that we find appropriate partners, or that we will be able to successfully meet the needs of these customers~~ . In 2020, we acquired Packet Host, Inc. (" Packet"), a bare metal automation company to facilitate a new ~~hardware~~ **" as- a- service "** product offering for us. **" As- a- service "** ~~We expect to continue to consider other new product offerings for our customers. Hardware~~ solutions are a relatively new market area for us which can bring challenges and could harm our business if not executed in the time or manner that we expect. ~~Hardware~~ **These** solutions ~~can~~ **may** also require additional capital ~~and~~ **,** may have lower margins ~~than~~ **and customers can more easily churn as compared to** our data center offerings, thus adversely impacting our results. **These offerings also introduce us to different competition and faster development cycles as compared to our data center business. If we cannot develop or partner to quickly and efficiently meet market demands, we may also see adverse results. We expect to continue to consider other new product offerings for our customers, including multi- cloud networking and cloud- adjacent storage.** While we believe ~~this~~ **these** product offering and others we may implement in the future will be desirable to our customers and will complement our other offerings on Platform Equinix, we cannot guarantee the success of this product or any other new product offering. **We have also invested in joint ventures in**

order to develop capacity to serve the large footprint needs of a targeted set of hyperscale customers by leveraging existing capacity and dedicated hyperscale builds. We believe these hyperscale customers will also play a large role in the growth of the market for artificial intelligence. We have announced our intention to seek additional joint ventures for certain of our hyperscale builds. There can be no assurances that our joint ventures will be successful or that we find appropriate partners, or that we will be able to successfully meet the needs of these customers through our hyperscale offerings. Failure to successfully execute on our product **strategy or hyperscale** strategy could materially adversely affect our financial condition, cash flows and results of operations. We have government customers, which subjects us to risks including early termination, audits, investigations, sanctions and penalties. We derive revenues from contracts with the U. S. government, state and local governments and foreign governments. Some of these customers may terminate all or part of their contracts at any time, without cause. There is increased pressure for governments and their agencies, both domestically and internationally, to reduce spending. Some of our federal government contracts are subject to the approval of appropriations being made by the U. S. Congress to fund the expenditures under these contracts. Similarly, some of our contracts at the state and local levels are subject to government funding authorizations. Government contracts often have unique terms and conditions, such as most favored customer obligations, and are generally subject to audits and investigations which could result in various civil and criminal penalties and administrative sanctions, including termination of contracts, refund of a portion of fees received, forfeiture of profits, suspension of payments, fines and suspensions or debarment from future government business. Because we depend on the development and growth of a balanced customer base, including key magnet customers, failure to attract, grow and retain this base of customers could harm our business and results of operations. Our ability to maximize revenues depends on our ability to develop and grow a balanced customer base, consisting of a variety of companies, including enterprises, cloud, digital content and financial companies, and network service providers. We consider certain of these customers to be key magnets in that they draw in other customers. The more balanced the customer base within each IBX data center, the better we will be able to generate significant interconnection revenues, which in turn increases our overall revenues. Our ability to attract customers to our IBX data centers will depend on a variety of factors, including the presence of multiple carriers, the mix of our offerings, the overall mix of customers, the presence of key customers attracting business through vertical market ecosystems, the IBX data center' s operating reliability and security and our ability to effectively market our offerings. However, some of our customers may face competitive pressures and may ultimately not be successful or may be consolidated through merger or acquisition. If these customers do not continue to use our IBX data centers it may be disruptive to our business. If customers combine businesses, they may require less colocation space, which could lead to churn in our customer base. Finally, any uncertain global economic climate, including the one we are currently experiencing, could harm our ability to attract and retain customers if customers slow spending, or delay decision- making on our offerings, or if customers begin to have difficulty paying us or seek bankruptcy protection and we experience increased churn in our customer base. Any of these factors may hinder the development, growth and retention of a balanced customer base and adversely affect our business, financial condition and results of operations. Risks Related to our Financial Results Our results of operations may fluctuate. We have experienced fluctuations in our results of operations on a quarterly and annual basis. The fluctuations in our results of operations may cause the market price of our common stock to be volatile. We may experience significant fluctuations in our results of operations in the foreseeable future due to a variety of factors, many of which are listed in ~~the~~ **this** Risk Factors section. Additional factors could include, but are not limited to: • the timing and magnitude of depreciation and interest expense or other expenses related to the acquisition, purchase or construction of additional IBX data centers or the upgrade of existing IBX data centers; • demand for space, power and solutions at our IBX data centers **; • the availability of power and the associated cost of procuring the power** ; • changes in general economic conditions, such as those stemming from pandemics or other economic downturns, or specific market conditions in the telecommunications and internet industries, any of which could have a material impact on us or on our customer base; • additions and changes in product offerings and our ability to ramp up and integrate new products within the time period we have forecasted; • restructuring charges or reversals of restructuring charges, which may be necessary due to revised sublease assumptions, changes in strategy or otherwise; • the financial condition and credit risk of our customers; • the provision of customer discounts and credits; • the mix of current and proposed products and offerings and the gross margins associated with our products and offerings; • increasing repair and maintenance expenses in connection with aging IBX data centers; • lack of available capacity in our existing IBX data centers to generate new revenue or delays in opening new or acquired IBX data centers that delay our ability to generate new revenue in markets which have otherwise reached capacity; • changes in employee stock- based compensation; • changes in our tax planning strategies or failure to realize anticipated benefits from such strategies; • changes in income tax benefit or expense; and • changes in or new GAAP as periodically released by the Financial Accounting Standards Board (" FASB"). Any of the foregoing factors, or other factors discussed elsewhere in this report, could have a material adverse effect on our business, results of operations and financial condition. Although we have experienced growth in revenues in recent quarters, this growth rate is not necessarily indicative of future results of operations. It is possible that we may not be able to generate net income on a quarterly or annual basis in the future. In addition, a relatively large portion of our expenses are fixed in the short- term, particularly with respect to lease and personnel expenses, depreciation and amortization and interest expenses. Therefore, our results of operations are particularly sensitive to fluctuations in revenues. As such, comparisons to prior reporting periods should not be relied upon as indications of our future performance. In addition, our results of operations in one or more future quarters may fail to meet the expectations of securities analysts or investors. We may incur goodwill and other intangible asset impairment charges, or impairment charges to our property, plant and equipment, which could result in a significant reduction to our earnings. In accordance with U. S. GAAP, we are required to assess our goodwill and other intangible assets annually, or more frequently whenever events or changes in circumstances indicate potential impairment, such as changing market conditions or any changes in key assumptions. If the testing performed indicates that an asset may not be recoverable, we are required to record a non- cash impairment charge for the difference between the carrying value of the goodwill or other intangible assets and the implied fair value of the goodwill or other intangible assets in the period the determination is made. We also periodically monitor the remaining net book values of our property, plant and equipment, including at the individual IBX data center level. Although each individual IBX data center is currently performing in accordance with our expectations, the possibility that one or more IBX data centers could begin to under- perform relative to our expectations is possible and may also result in non- cash impairment charges. These charges could be significant, which could have a material adverse effect on our business, results of operations or financial condition. We have incurred substantial losses in the past and may incur additional losses in the future. As of December 31, ~~2022~~ **2023**, our retained earnings were $ 3. ~~0~~ **9** billion. We are currently investing heavily in our future growth through the build out of multiple additional IBX data centers, expansions of IBX data centers and acquisitions of complementary businesses. As a result, we will incur higher depreciation and other operating expenses, as well as transaction costs and interest expense, that may negatively impact our ability to sustain profitability in future periods unless and until these new IBX data centers generate enough revenue to exceed their operating costs and cover the additional overhead needed to scale our business for this anticipated growth. The current global financial uncertainty may also impact our ability to sustain profitability if we cannot generate sufficient revenue to offset the increased costs of our recently ~~-~~opened IBX data centers or IBX data centers currently under construction. In addition, costs associated with the acquisition and integration of any acquired companies, as well as the additional interest expense associated with debt financing, we have undertaken to fund our growth initiatives, may also negatively impact our ability to sustain profitability. Finally, given the competitive and evolving nature of the industry in which we operate, we may not be able to sustain or increase profitability on a quarterly or annual basis. Risks Related to Our Expansion Plans Our construction of new IBX data centers ~~or~~ **,** IBX data center expansions **or IBX data center redevelopment** could involve significant risks to our business. In order to sustain our growth in certain of our existing and new markets, we may have to expand an existing data center, lease a new facility or acquire suitable land, with or without structures, to build new IBX data centers from the ground up. Expansions or new builds are currently underway, or being contemplated, in ~~many of our~~ **new and existing** markets. These construction projects expose us to many risks which could have an adverse effect on our results of operations and financial condition. The current global supply chain and inflation issues have exacerbated many of these construction risks and created additional risks for our business. Some of the risks associated with construction projects include: • construction delays; • **power and power grid constraints; •** lack of availability and delays for data center equipment, including items such as generators and switchgear; • unexpected budget changes; • increased prices for and delays in obtaining building supplies, raw materials and data center equipment; • labor availability, labor disputes and work stoppages with contractors, subcontractors and other third parties ~~, including interruptions in work due to the COVID- 19 pandemic~~ ; • unanticipated environmental issues and geological problems; • delays related to permitting and approvals to open from public agencies and utility companies; • unexpected lack of power access ~~; • power and power grid constraints~~ ; • delays in site readiness leading to our failure to meet commitments made to customers planning to expand into a new build; and • unanticipated customer requirements that would necessitate alternative data center design, making our sites less desirable or leading to increased costs in order to make necessary modifications or retrofits. We are currently experiencing rising construction costs which reflect the increase in cost of labor and raw materials, supply chain and logistic challenges, and high demand in our sector. While we have invested in creating a reserve of materials to mitigate supply chain issues and inflation, it may not be sufficient and ongoing delays, difficulty finding replacement products and continued high inflation could affect our business and growth and could have a material effect on our business. Additional or unexpected disruptions to our supply chain **, including in the event of any sustained regional escalation of the current conflict in the Middle East in the area around the Red Sea or more broadly,** or inflationary pressures could significantly affect the cost of our planned expansion projects and interfere with our ability to meet commitments to customers who have contracted for space in new IBX data centers under construction. Construction projects are dependent on permitting from public agencies and utility companies. Any delay in permitting could affect our growth. We are currently experiencing permitting delays in most metros due to reduced production from labor availability ~~and from other COVID- 19 pandemic related permitting restrictions or stoppages~~ . While we don' t currently anticipate any material long- term negative impact to our business because of these construction delays, these types of delays and stoppages related to permitting from public agencies and utility companies could worsen and have an adverse effect on our bookings, revenue or growth. Additionally, all 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. Site selection is also a critical factor in our expansion plans. There may not be suitable properties available in our markets with the necessary combination of high- power capacity and fiber connectivity, or selection may be limited. We expect that we will continue to experience limited availability of power and grid constraints in many markets as well as shortages of associated equipment because of the current high demands and finite nature of these resources. These shortages could result in site selection challenges, construction delays or increased costs. Thus, while we may prefer to locate new IBX data centers adjacent to our existing locations, it may not always be possible. In the event we decide to build new IBX data centers separate from our existing IBX data centers, we may provide metro connect solutions to connect these two IBX data centers. Should these solutions not provide the necessary reliability to sustain connection, or if they do not meet the needs of our customers, this could result in lower interconnection revenue and lower margins and could have a negative impact on customer retention over time. Acquisitions present many risks, and we may not realize the financial or strategic goals that were contemplated at the time of any transaction. Over the last several years, we have completed numerous acquisitions, including most recently that of five data centers in Peru and Chile from Entel in 2022, MainOne in West Africa in 2022, and GPX Global ~~System~~ **Systems** ~~' s~~ , Inc.' s India operations in 2021. We expect to make additional acquisitions in the future, which may include (i) acquisitions of businesses, products, solutions or technologies that we believe to be complementary, (ii) acquisitions of new IBX data centers or real estate for development of new IBX data centers; (iii) acquisitions through investments in local data center operators; or (iv) acquisitions in new markets with higher risk profiles. We may pay for future acquisitions by using our existing cash resources (which may limit other potential uses of our cash), incurring additional debt (which may increase our interest expense, leverage and debt service requirements) and / or issuing shares (which may dilute our existing stockholders and have a negative effect on our earnings per share). Acquisitions expose us to potential risks, including: • the possible disruption of our ongoing business and diversion of management' s attention by acquisition, transition and integration activities, particularly when multiple acquisitions and integrations are occurring at the same time or when we are entering an emerging market with a higher risk profile; • our potential inability to successfully pursue or realize some or all of the anticipated revenue opportunities associated with an acquisition or investment; • the possibility that we may not be able to successfully integrate acquired businesses, or businesses in which we invest, or achieve anticipated operating efficiencies or cost savings; • the possibility that announced acquisitions may not be completed, due to failure to satisfy the conditions to closing as a result of: • an injunction, law or order that makes unlawful the consummation of the acquisition; • inaccuracy or breach of the representations and warranties of, or the non- compliance with covenants by, either party; • the nonreceipt of closing documents; or • for other reasons; • the possibility that there could be a delay in the completion of an acquisition, which could, among other things, result in additional transaction costs, loss of revenue or other adverse effects resulting from such uncertainty; • the possibility that our projections about the success of an acquisition could be inaccurate and any such inaccuracies could have a material adverse effect on our financial projections; • the dilution of our existing stockholders as a result of our issuing stock as consideration in a transaction or selling stock in order to fund the transaction; • the possibility of customer dissatisfaction if we are unable to achieve levels of quality and stability on par with past practices; • the possibility that we will be unable to retain relationships with key customers, landlords and / or suppliers of the acquired businesses, some of which may terminate their contracts with the acquired business as a result of the acquisition or which may attempt to negotiate changes in their current or future business relationships with us; • the possibility that we could lose key employees from the acquired businesses; • the possibility that we may be unable to integrate certain IT systems that do not meet Equinix' s standard requirements with respect to security, privacy or any other standard; • the potential deterioration in our ability to access credit markets due to increased leverage; • the possibility that our customers may not accept either the existing equipment infrastructure or the" look- and- feel" of a new or different IBX data center; • the possibility that additional capital expenditures may be required or that transaction expenses associated with acquisitions may be higher than anticipated; • the possibility that required financing to fund an acquisition may not be available on acceptable terms or at all; • the possibility that we may be unable to obtain required approvals from governmental authorities under antitrust and competition laws on a timely basis or at all, which could, among other things, delay or prevent us from completing an acquisition, limit our ability to realize the expected financial or strategic benefits of an acquisition or have other adverse effects on our current business and operations; • the possible loss or reduction in value of acquired businesses; • the possibility that future acquisitions may present new complexities in deal structure, related complex accounting and coordination with new partners, particularly in light of our desire to maintain our qualification for taxation as a REIT; • the possibility that we may not be able to prepare and issue our financial statements and other public filings in a timely and accurate manner, and / or maintain an effective control environment, due to the strain on the finance organization when multiple acquisitions and integrations are occurring at the same time; • the possibility that future acquisitions may trigger property tax reassessments resulting in a substantial increase to our property taxes beyond that which we anticipated; • the possibility that future acquisitions may be in geographies and regulatory environments to which we are unaccustomed and we may become subject to complex requirements and risks with which we have limited experience; • the possibility that future acquisitions may appear less attractive due to fluctuations in foreign currency rates; • the possibility that carriers may find it cost- prohibitive or impractical to bring fiber and networks into a new IBX data center; • the possibility of litigation or other claims in connection with, or as a result of, an acquisition, **or inherited from the acquired company,** including claims from terminated employees, customers, former stockholders or other third parties; • the possibility that asset divestments may be required in order to obtain regulatory clearance for a transaction; • the possibility of pre- existing undisclosed liabilities, including, but not limited to, lease or landlord related liability, tax liability, environmental liability or asbestos liability, for which insurance coverage may be insufficient or unavailable, or other issues not discovered in the diligence process; • the possibility that we receive limited or incorrect information about the acquired business in the diligence process; and • the possibility that we do not have full visibility into customer agreements and customer termination rights during the diligence process which could expose us to additional liabilities after completing the acquisition. The occurrence of any of these risks could have a material adverse effect on our business, results of operations, financial condition or cash flows. If an acquisition does not proceed or is materially delayed for any reason, the price of our common stock may be adversely impacted, and we will not recognize the anticipated benefits of the acquisition. We cannot assure that the price of any future acquisitions of IBX data centers **or businesses** will be similar to prior IBX data center acquisitions **and businesses** . In fact, we expect costs required to build or render new IBX data centers operational to increase in the future. If our revenue does not keep pace with these potential acquisition and expansion costs, we may not be able to maintain our current or expected margins as we absorb these additional expenses. There is no assurance we would successfully overcome these risks, or any other problems encountered with these acquisitions. The anticipated benefits of our joint ventures may not be fully realized, or take longer to realize than expected. We have entered into joint ventures to develop and operate ~~xScale ™~~ data centers (~~together,~~ the " Joint Ventures ") ~~. Equinix owns a 20 % interest and our JV partners own an 80 % interest in each joint venture, and Equinix operates all facilities~~ . Certain sites that are intended to be utilized in Joint Ventures require investment for development. The success of these Joint Ventures will **also** depend, in part, on the successful development of the data center sites, and we may not realize all of the anticipated benefits. Such development may be more difficult, time- consuming or costly than expected and could result in increased costs, decreases in the amount of expected revenues and diversion of management' s time and energy, which could materially impact our business, financial condition and results of operations. Additionally, if it is determined these sites are no longer desirable for the Joint Ventures, we would need to adapt such sites for other purposes. We may not realize all of the anticipated benefits from our Joint Ventures. The success of these Joint Ventures will depend, in part, on the successful partnership between Equinix and our ~~JV~~ **Joint Venture** partners. Such a partnership is subject to risks as outlined below in our risk factor related to Joint Ventures, and more generally, to the same types of business risks as would impact our IBX data center business. A failure to successfully partner, or a failure to realize our expectations for the Joint Ventures, including any contemplated exit strategy from a Joint Venture, could materially impact our business, financial condition and results of operations. These Joint Ventures could also be negatively impacted by inflation, supply chain issues, an inability to obtain financing on favorable terms or at all, an inability to fill the xScale sites with customers as planned, and development and construction delays, including those we are currently experiencing in many markets globally. Joint venture investments could expose us to risks and liabilities in connection with the formation of the new joint ventures, the operation of such joint ventures without sole decision- making authority, and our reliance on joint venture partners who may have economic and business interests that are inconsistent with our business interests. In addition to our current and proposed Joint Ventures, we may co- invest with other third parties through partnerships, joint ventures or other entities in the future. These joint ventures could result in our acquisition of non- controlling interests in, or shared responsibility for, managing the affairs of a property or portfolio of properties, partnership, joint venture or other entity. We may be subject to additional risks, including: • we may not have the right to exercise sole decision- making authority regarding the properties, partnership, joint venture or other entity; • if our partners become bankrupt or fail to fund their share of required capital contributions, we may choose to or be required to contribute such capital; • our partners may have economic, tax or other business interests or goals which are inconsistent with our business interests or goals, and may be in a position to take actions contrary to our policies or objectives; • our joint venture partners may take actions that are not within our control, which could require us to dispose of the joint venture asset, transfer it to a taxable REIT subsidiary (" TRS") in order to maintain our qualification for taxation as a REIT, or purchase the partner' s interests or assets at an above- market price; • our joint venture partners may take actions unrelated to our business agreement but which reflect poorly on us because of our joint venture **relationship** ; • disputes between us and our partners may result in litigation or arbitration that would increase our expenses and prevent our management from focusing their time and effort on our day- to- day business; • we may in certain circumstances be liable for the actions of our third- party partners or guarantee all or a portion of the joint venture' s liabilities, which may require us to pay an amount greater than its investment in the joint venture **; • we may need to change the structure of an established joint venture or create new complex structures to meet our business needs or the needs of our partners which could prove challenging** ; and • a joint venture partner' s decision to exit the joint venture may not be at an opportune time for us or in our business interests. Each of these factors may result in returns on these investments being less than we expect or in losses, and our financial and results of operations may be adversely affected. If we cannot effectively manage our international operations ~~,~~ and successfully implement our international expansion plans, ~~or comply with evolving laws and regulations, our revenues may not increase, and~~ our business and results of operations would be ~~harmed~~ **adversely impacted** . For the years ended December 31, **2023,** 2022 ~~,~~ **and** 2021 ~~and 2020~~ , we recognized approximately **63 %,** 61 % ~~,~~ **and** 61 ~~% and 59~~ %, respectively, of our revenues outside the U. S. We currently operate outside of the U. S. in Canada, Mexico, South America, the Asia- Pacific region and, the EMEA region. In addition, we are currently undergoing expansions or evaluating expansion opportunities outside of the U. S. Undertaking and managing expansions in foreign jurisdictions may present unanticipated challenges to us. Our international operations are generally subject to a number of additional risks, including: • the costs of customizing IBX data centers for foreign countries; • protectionist laws and business practices favoring local competition; • greater difficulty or delay in accounts receivable collection; • difficulties in staffing and managing foreign operations, including negotiating with foreign labor unions or workers' councils; • difficulties in managing across cultures and in foreign languages; • political and economic instability; • fluctuations in currency exchange rates; • difficulties in repatriating funds from certain countries; • our ability to obtain, transfer or maintain licenses required by governmental entities with respect to our business; • unexpected changes in regulatory, tax and political environments **; • difficulties in procuring power; •** ~~such as the United Kingdom' s withdrawal from the European Union (" Brexit"), the Hong Kong national security law, and the current~~ trade ~~war~~ **wars** ~~between~~ **; • changes in** the **government** ~~U. S.~~ and ~~China~~ **public administration in emerging markets that may impact the stability of foreign investment policies** ; • our ability to secure and maintain the necessary physical and telecommunications infrastructure; • compliance with anti- bribery and corruption laws; • compliance with economic and trade sanctions enforced by the Office of Foreign Assets Control of the U. S. Department of Treasury **, the Bureau of Industry and Security of the US Department of Commerce** and other enforcement agencies in other jurisdictions around the world including those related to the Russian and Ukrainian war; • compliance with changing laws, policies and requirements related to sustainability; • **increasing scrutiny on the operational resilience of data centers, especially in countries where data centers are designated as critical national infrastructure and / or essential ICT service providers; • increasing resistance to data center presence and expansion by local communities; • compliance with evolving cybersecurity laws including reporting requirements; and •** compliance with evolving governmental regulation **. Further, if we cannot effectively manage the challenges associated** with ~~which we have little experience; and • compliance with evolving and varied regulations related to the ongoing COVID- 19 pandemic. Geo- political events, such as the COVID- 19 pandemic, Brexit, the Hong Kong national security law, the trade war between the U. S. and China and the war between Russia and Ukraine, may increase the likelihood of the listed risks to occur and could have a negative effect on our business domestically or internationally. With respect to Brexit, it is possible that the level of economic activity in the United Kingdom and the rest of Europe will be adversely impacted and that we will face increased regulatory and legal complexities in these regions which could have an adverse impact on our business and employees in EMEA and could adversely affect our financial condition and results of operations. In addition,~~

~~compliance with international and U. S. laws and regulations that apply to~~ our international operations ~~increases our cost of doing business in foreign jurisdictions. These laws~~ and **expansion plans** ~~regulations include the General Data Protection Regulation (" GDPR") and other data privacy laws and requirements~~ , ~~labor relations laws, tax laws, anti- competition regulations, import and trade restrictions, export requirements, economic and trade sanctions, U. S. laws such as the Foreign Corrupt Practices Act and local laws which also prohibit corrupt payments to governmental officials. With respect to the current trade war between the U. S. and China,~~ we ~~have several customers in China named in restrictive executive orders by the previous U. S. administration that are currently covered by a freeze issued by the current U. S. administration or currently enjoined from enforcement subject to pending litigation. If Equinix is required to cease business with these companies, or additional companies in the future, our revenues~~ could **experience a delay in** ~~be adversely affected. Violations of any of these domestic or~~ **our expansion projects or a failure to grow. Expansion challenges and** international **operations failures** ~~laws and regulations could result in fines, criminal sanctions against us, our officers or our employees, and prohibitions on the conduct of our business. Any such violations could include prohibitions on our ability to provide our offerings in one or more countries, could delay or prevent potential acquisitions, and~~ could also materially damage our reputation, our brand, our ~~international expansion efforts, our ability to attract and retain employees, our~~ business and results of operations. Our success depends, in part, on our ability to anticipate and address these risks and manage these difficulties. We continue to invest in our expansion efforts **,** but may not have sufficient customer demand in the future to realize expected returns on these investments. We are considering the acquisition or lease of additional properties and the construction of new IBX data centers beyond those expansion projects already announced. We will be required to commit substantial operational and financial resources to these IBX data centers, generally 12 to 18 months in advance of securing customer contracts, and we may not have sufficient customer demand in those markets to support these IBX data centers once they are built. In addition, unanticipated technological changes could affect customer requirements for data centers, and we may not have built such requirements into our new IBX data centers. Either of these contingencies, if they were to occur, could make it difficult for us to realize expected or reasonable returns on these investments. Risks Related to Our Capital Needs and Capital Strategy Our substantial debt could adversely affect our cash flows and limit our flexibility to raise additional capital. We have a significant amount of debt and may need to incur additional debt to support our growth. Additional debt may also be incurred to fund future acquisitions, any future special distributions, regular distributions or the other cash outlays associated with maintaining our qualification for taxation as a REIT. As of December 31, ~~2022~~ **2023** , our total indebtedness (gross of debt issuance cost ~~,~~ **and** debt discount ~~, and debt premium~~) was approximately $ ~~15~~ **16** . ~~2~~ **1** billion, our stockholders' equity was $ ~~11~~ **12** . 5 billion and our cash and cash equivalents totaled $ **2.** 1 ~~. 9~~ billion. In addition, as of December 31, ~~2022~~ **2023** , we had approximately $ 3. 9 billion of additional liquidity available to us from our $ 4. 0 billion revolving credit facility. In addition to our substantial debt, we lease many of our IBX data centers and certain equipment under lease agreements, some of which are accounted for as operating leases. As of December 31, ~~2022~~ **2023** , we recorded operating lease liabilities of $ 1. ~~4~~ **5** billion, which represents our obligation to make lease payments under those lease arrangements. Our substantial amount of debt and related covenants, and our off- balance sheet commitments, could have important consequences. For example, they could: • require us to dedicate a substantial portion of our cash flow from operations to make interest and principal payments on our debt and in respect of other off- balance sheet arrangements, reducing the availability of our cash flow to fund future capital expenditures, working capital, execution of our expansion strategy and other general corporate requirements; • increase the likelihood of negative outlook from our credit rating agencies, or of a downgrade to our current rating; • make it more difficult for us to satisfy our obligations under our various debt instruments; • increase our cost of borrowing and even limit our ability to access additional debt to fund future growth; • increase our vulnerability to general adverse economic and industry conditions and adverse changes in governmental regulations; • limit our flexibility in planning for, or reacting to, changes in our business and industry, which may place us at a competitive disadvantage compared with our competitors; • limit our operating flexibility through covenants with which we must comply; • limit our ability to borrow additional funds, even when necessary to maintain adequate liquidity, which would also limit our ability to further expand our business; and • make us more vulnerable to increases in interest rates because of the variable interest rates on some of our borrowings to the extent we have not entirely hedged such variable rate debt. The occurrence of any of the foregoing factors could have a material adverse effect on our business, results of operations and financial condition. We may also need to refinance a portion of our outstanding debt as it matures. There is a risk that we may not be able to refinance existing debt or that the terms of any refinancing may not be as favorable as the terms of our existing debt. Furthermore, if prevailing interest rates or other factors at the time of refinancing result in higher interest rates upon refinancing, then the interest expense relating to that refinanced indebtedness would increase. These risks could materially adversely affect our financial condition, cash flows and results of operations. Sales or issuances of shares of our common stock may adversely affect the market price of our common stock. Future sales or issuances of common stock or other equity related securities may adversely affect the market price of our common stock, including any shares of our common stock issued to finance capital expenditures, finance acquisitions or repay debt. In November 2022 **and as amended in October 2023** , we established **an** ~~a successor~~ " at the market" equity offering program (the" 2022 ATM Program") in the amount of $ 1. 5 billion under which we may, from time to time, issue and sell shares of our common stock to or through sales agents up to established limits. As of December 31, ~~2022~~ **2023** , we had **approximately** $ ~~1~~ **469** . ~~4~~ **7** ~~billion~~ **million** available for sale under the 2022 ATM Program. We **have refreshed our ATM program in the past and** expect to refresh our ATM program periodically, which could lead to additional dilution for our stockholders in the future. We may also seek authorization to sell additional shares of common stock through other means which could lead to additional dilution for our stockholders. Please see Note 12 within the Consolidated Financial Statements of this Annual Report on Form 10- K for sales of our common stock under our ATM programs. If we are not able to generate sufficient operating cash flows or obtain external financing, our ability to fund incremental expansion plans may be limited. Our capital expenditures, together with ongoing operating expenses, obligations to service our debt and the cash outlays associated with our REIT distribution requirements, are, and will continue to be, a substantial burden on our cash flow and may decrease our cash balances. Additional debt or equity financing may not be available when needed or, if available, may not be available on satisfactory terms. Our inability to obtain additional debt and / or equity financing or to generate sufficient cash from operations may require us to prioritize projects or curtail capital expenditures which could adversely affect our results of operations. Our derivative transactions expose us to counterparty credit risk. Our derivative transactions expose us to risk of financial loss if a counterparty fails to perform under a derivative contract. Disruptions in the financial markets could lead to sudden decreases in a counterparty' s liquidity, which could make them unable to perform under the terms of their derivative contract and we may not be able to realize the benefit of the derivative contract. Risks Related to Environmental Laws and Climate Change ~~Impacts~~ **Impact** Environmental regulations may impose upon us new or unexpected costs. We are subject to various federal, state and local environmental and health and safety laws and regulations in the United States and at our non- U. S. locations, including those relating to the generation, storage, handling and disposal of hazardous substances and wastes. Certain of these laws and regulations also impose joint and several liability, without regard to fault, for investigation and cleanup costs on current and former owners and operators of real property and persons who have disposed of or released hazardous substances into the environment. Our operations involve the use of hazardous substances and **other regulated** materials such as petroleum fuel for emergency generators, as well as batteries, cleaning solutions **, refrigerants** and other materials. At some of our locations, hazardous substances or regulated materials are known to be present in soil or groundwater, and there may be additional unknown hazardous substances or regulated materials present at sites **that** we own, operate or lease. At some of our locations, there are land use restrictions in place relating to earlier environmental cleanups that do not materially limit our use of the sites. To the extent any hazardous substances or any other substance or material must be **investigated,** cleaned up or removed from our property, we may be responsible under applicable laws, permits or leases for the **investigation,** removal or cleanup of such substances or materials, the cost of which could be substantial. We purchase significant amounts of electricity from generating facilities and utility companies ~~that~~ **. These facilities and utility companies** are subject to environmental laws, regulations ~~and~~ **,** permit requirements ~~. These environmental requirements are~~ **and policy decisions that could be** subject to material change, which could result in increases in our electricity suppliers' compliance costs that may be passed through to us. Regulations promulgated by the U. S. EPA or state agencies, or by regulators in other countries, could limit air emissions from fossil fuel- fired power plants, restrict discharges of cooling water, **limit the availability of potable water** and otherwise impose new operational restraints on power plants that could increase costs of electricity. Regulatory programs intended to promote increased generation of electricity from renewable sources may also increase our costs of procuring electricity. In addition, we are directly subject to environmental, health and safety laws regulating air emissions, storm water management and other ~~issues~~ **environmental matters** arising in our business. For example, our emergency generators are subject to state ~~and~~ **,** federal **and country- specific** regulations governing air pollutants, which could limit the operation of those generators or require the installation of new pollution control technologies. While environmental regulations do not normally impose material costs upon our operations, unexpected events, equipment malfunctions, human error and changes in law or regulations, among other factors, can lead to additional capital requirements, limitations upon our operations and unexpected increased costs. Regulation of greenhouse gas (" GHG") emissions could increase our costs of doing business, for example by increasing the cost of electricity **produced** by ~~reducing amounts of electricity~~ **more GHG- intensive means (e. g.,** generated from fossil fuels **)** , ~~by~~ **which could** ~~requiring~~ **require** the use of ~~more expensive generating methods, by requiring capture,~~ management or reduction of GHG emissions **(e. g., carbon dioxide capture)** , or by imposing taxes or fees upon electricity or GHG emissions. In recent years, there has been interest in the U. S. and in countries where we operate abroad in regulating GHG emissions and otherwise addressing risks related to climate change. For example, in the U. S., new regulations and legislation have been proposed or enacted during the Biden Administration that limit or otherwise seeks to discourage carbon dioxide emissions and the use of fossil fuels. Such regulations and legislation have included or may in the future include measures ranging from direct regulation of GHG emissions to" carbon taxes," and tax incentives to promote the development and use of renewable energy and otherwise lower GHG emissions. Other countries in which we operate may also impose requirements and restrictions on GHG emissions. **Governmental** ~~In the U. S., state~~ regulations also have the potential to increase our costs of obtaining electricity. Certain U. S. states in which we operate have issued or are considering and may enact environmental regulations that could materially affect our facilities and electricity costs. For example, California ~~has limited~~ **limits** GHG emissions from new and existing conventional power plants by imposing regulatory caps and by auctioning the rights to emission allowances. Multiple other states have issued regulations (or are considering regulations) to implement carbon cap and trade programs, carbon pricing programs and other mechanisms designed to limit GHG emissions. To date, regulations aimed at reducing GHG emissions have not had a material adverse effect on our electricity costs, but potential new regulatory requirements and the market- driven nature of some of the programs could have a material adverse effect on electricity costs in the future. ~~U. S. and global~~ **Global** environmental regulations are expected to continue to change and evolve and may impose upon us new or unexpected costs. Concern about climate change and sustainability in various jurisdictions may result in more stringent laws and regulatory requirements regarding emissions of carbon dioxide or other GHGs. Restrictions on carbon dioxide or other GHG emissions could result in significant increases in operating or capital costs, including higher energy costs generally, and increased costs from carbon taxes, emission cap and trade programs and renewable portfolio standards that are imposed upon our electricity suppliers. These higher energy costs, and the cost of complying across our global platform or of failing to comply with these and any other climate change regulations, may have an adverse effect on our business and our results of operations. The course of future legislation and regulation in the U. S. and abroad remains difficult to predict and the potential increased costs associated with national or supra- national GHG regulation and other government policies cannot be estimated at this time. Our business may be adversely affected by physical risks related to climate change and **our** ~~responses~~ **response** to it. Severe weather events, such as droughts, ~~fires~~ **wildfires** , flooding, heat waves, hurricanes, typhoons and winter storms, pose a threat to our IBX data centers and our customers' IT infrastructure through physical damage to facilities or equipment, power supply disruption, and long- term effects on the cost of electricity. The frequency and intensity of severe weather events are reportedly increasing as part of broader climate changes. Changes in global weather patterns may also pose long- term risks of physical impacts to our business. We maintain disaster recovery and business continuity plans that would be implemented in the event of severe weather events that interrupt our business or affect our customers' IT infrastructure housed in our IBX data centers. While these plans are designed to allow us to recover from natural disasters or other events that can interrupt our business, we cannot be certain that our plans will work as intended ~~,~~ to mitigate the impacts of such disasters or events. Failure to prevent impact to customers from such events could adversely affect our business. We may fail to achieve our **Environmental, Social and Governance ("** ESG **")** and sustainability goals, or may encounter objections to them, either of which may adversely affect public perception of our business and affect our relationship with our customers, our stockholders and / or other stakeholders. We have prioritized sustainability and ESG objectives, including long term goals of procuring 100 % clean and renewable energy coverage and reducing our GHG emissions from our operations and supply chain. We also face pressure from our customers, stockholders and other stakeholders, such as the communities in which we operate, who are increasingly focused on climate change, to prioritize renewable energy procurement, reduce our carbon footprint and promote sustainable practices. To address these goals and concerns, where possible, we plan to continue to scale our renewable energy strategy, seek low- carbon alternatives for traditional fuel sources, use refrigerants that pose fewer risks of environmental impact, and pursue opportunities to improve energy and water efficiency. As a result of these and other initiatives, we intend to make progress towards reducing our environmental impact and global carbon footprint, **meet our public climate related commitments,** as well as ensuring that our business remains viable in a low- carbon economy. ~~Pursing~~ **Pursuing** these objectives involves additional costs for conducting our business. For example, developing and acting on ESG initiatives, including collecting, measuring, and reporting information, goals and other metrics can be costly, difficult and time consuming. We have separately undertaken efforts to procure coverage from renewable energy projects in order to support availability ~~in~~ **of** new renewables development. These efforts to support and enhance renewable electricity generation may increase our costs of electricity above those that would be incurred through procurement of conventional electricity from existing sources or through conventional grids. Reducing our carbon footprint may require physical or operational modifications that may be costly. These initiatives could adversely affect our financial position and results of operations. There is also a risk that our ESG and sustainability objectives will not be successful. It is possible that we may fail to reach our stated environmental goals in a timely manner or that our customers, stockholders or members of our communities might not be satisfied with our sustainability efforts or the speed of their adoption. Our customers, shareholders or others may object to our ESG and sustainability objectives or the manner in which we seek to achieve such objectives. A failure to meet our environmental goals, or significant controversy regarding these goals **and how we achieve them** , could adversely affect public perception of our business, employee morale or customer, stockholder or community support. If we do not meet our customers' or stockholders' expectations regarding those initiatives, or lose support in our communities, our business and / or our share price could be harmed. There is some indication that ESG and sustainability goals are becoming more controversial, as some governmental entities in the U. S. and certain investor constituencies question the appropriateness of or object to ESG and sustainability initiatives. Some investors may use ESG- related factors to guide their investment strategies and may choose not to invest in us, a factor that would tend to reduce demand for our shares and possibly affect our share price adversely. We also may face potential governmental enforcement actions or private litigation challenging our ESG and sustainability goals, or our disclosure of those goals and our metrics for measuring achievement of them. New or changing regulation or public opinion regarding our ESG and sustainability goals or our actions to achieve them may result in adverse effects on our financial performance, reputation or demand for our services and products, or may otherwise result in obligations and liabilities that cannot predicted or estimated at this time. Risks Related to Certain Regulations and Laws, Including Tax Laws ~~certain activities.We cannot guarantee compliance with all such laws and regulations,and failure to comply with such laws and regulations could expose us to fines,penalties,or costly and expensive investigations.Violations of any of applicable domestic or international laws and regulations could result in fines,criminal sanctions against us,our officers or our employees,and prohibitions on the conduct of our business.Any such violations could include prohibitions on our ability to provide our offerings in one or more countries,could delay or prevent potential acquisitions,and could also materially damage our reputation,our brand,our international expansion efforts,our ability to attract and retain employees,our business and results of operations~~ .Government regulation ~~related to our business~~ or failure to comply with laws and regulations may adversely affect our business.Various laws and governmental regulations,both in the U.S.and abroad,governing internet- related services,related communications services and information technologies remain largely unsettled,even in areas where there has been some legislative action.For example,the Federal Communications Commission (" FCC") recently overturned network neutrality rules,which may result in material changes in the regulations and contribution regime affecting us and our customers.Furthermore,the U.S.Congress and state legislatures are reviewing and considering changes to the new FCC rules making the future of network neutrality uncertain.Changes to these laws and regulations could have a material adverse effect on us and our customers. ~~We expect there~~ **There** may also be forthcoming regulation in **the U.S.on a federal or state level in the** areas of ~~regulating the responsible use of artificial intelligence,such as the proposed EU Artificial Intelligence Act and the introduction of heightened measures to be adopted with respect to~~ cybersecurity,data privacy,sustainability,taxation and data security,any of which could impact us and our customers **.Similarly,data privacy regulations continue to evolve and must be addressed by Equinix as a global company.Additionally,laws and regulations related to economic sanctions,export controls,anti- bribery and anti- corruption,and other international activities may restrict or limit our ability to engage in transactions or dealings with certain counterparties,in or with certain countries or territories,or in certain activities.We cannot guarantee compliance with all such laws and regulations,and failure to comply with such laws and regulations could expose us to fines,penalties,or costly and expensive investigations** .We remain focused on whether and how existing and changing laws,such as those governing intellectual property,privacy,libel,telecommunications services,data flows / data localization,carbon emissions impact,competition and antitrust,and taxation apply to our business and those which might have a material effect on our customers' decisions to purchase our solutions.Substantial resources may be required to comply with regulations or bring any non- compliant business practices into compliance with such regulations.In addition,the continuing development of the market for online commerce and the displacement of traditional telephony service by the internet and related communications services may prompt an increased call for more stringent consumer protection laws or other regulation both in the U.S.and abroad that may impose additional burdens on companies conducting business online and their service providers.Our business was designated" critical infrastructure" or" essential services" which allowed our data centers to remain open in many jurisdictions during the COVID- 19 pandemic.Any regulations restricting our ability to operate our business **due to the COVID- 19 pandemic or** for any **other** reason could have a material adverse effect on our business.Additionally,these" essential services" and" critical infrastructure" designations could lead countries or local regulators to impose additional regulations on the data center industry in order to have better visibility and control over our industry for future events and crises.We strive to comply with all laws and regulations that apply to our business.However,as these laws evolve,they can be subject to varying interpretations and regulatory discretion.To the extent a regulator or court disagrees with our interpretation of these laws and determines that our practices are not in compliance with applicable laws and regulations,we could be subject to civil and criminal penalties that could adversely affect our business operations.The adoption,or modification **of laws or regulations relating to the internet and our business,or interpretations of existing laws,could have a material adverse effect on our business,financial condition and results of operations** Changes in U. S. or foreign tax laws, regulations, or interpretations thereof, including changes to tax rates, may adversely affect our financial statements and cash taxes. We are a U. S. company with global subsidiaries and are subject to income and other taxes in the U. S. (although currently limited due to our taxation as a REIT) and many foreign jurisdictions. Significant judgment is required in determining our worldwide provision for income and other taxes. Although we believe that we have adequately assessed and accounted for our potential tax liabilities, and that our tax estimates are reasonable, there can be no certainty that additional taxes will not be due upon audit of our tax returns or as a result of changes to the tax laws and interpretations thereof. For example, we are currently undergoing audits in a number of jurisdictions where we operate. The final results of these audits are uncertain and may not be resolved in our favor. The ~~Organisation~~ **Organization** for Economic Co- operation and Development (" OECD") is an international association made up of over 30 countries including the U. S. The OECD has proposed and made numerous changes to long- standing tax principles, which, if adopted by the member countries, could have a materially adverse effect on our tax liabilities. For example, ~~various~~ **it has proposed a framework to implement a global minimum tax of 15 % for businesses with global revenues and profits above certain thresholds (referred to as Pillar Two). The framework includes a mechanism empowering** foreign jurisdictions ~~are starting~~ to **levy** ~~explore the taxation of digital services and the mechanism of levying~~ a top- up tax ~~through~~ **on our profits in** the ~~adoption~~ **U. S. Certain aspects** of ~~OECD~~ **Pillar Two became effective January 1, 2024, and the rest of the new** tax ~~principles~~ **regime will become effective January 1, 2025. While it is uncertain whether the U. S. will enact legislation to adopt Pillar Two, certain countries in** which ~~could~~ **we operate** have ~~a negative effect on our~~ **partially adopted Pillar Two, and other countries are in the process of introducing legislation to adopt the new** tax ~~liability~~ **regime. We are continuing to evaluate the impacts of the development in the jurisdictions in which we operate** . The ~~ongoing~~ COVID- 19 pandemic ~~has~~ led to increased spending by many governments **in the past years** . Because of this, there could be pressure to increase taxes in the future to pay back debts and generate revenues. The nature and timing of any future changes to each jurisdiction' s tax laws and the impact on our future tax liabilities ~~because of the COVID- 19 pandemic or for any other reason~~ cannot be predicted with any accuracy **,** but could materially and adversely impact our results of operations and financial position or cash flows . Government regulation or failure to comply......, financial condition and results of operations . Our business could be adversely affected if we are unable to maintain our complex global legal entity structure. We maintain a complex global organizational structure, containing numerous legal entities of varied types and serving various purposes, in each country in which we operate. For example, ~~in order~~ to maintain our qualification **for taxation** as a REIT for U. S. federal income tax purposes ~~, a large portion of our gross income for each taxable year must be derived from real estate. To facilitate meeting this REIT compliance requirement~~ , we use TRSs and qualified REIT subsidiaries (" QRSs") in order to segregate our income between net income from real estate and net income from ~~TRSs~~ **other non- real estate activities** . This results in **significantly more** ~~almost double the number of~~ entities **than** we ~~would typically need~~ **might otherwise utilize** if we were not **having to** ~~maintaining~~ --- **maintain our** qualification **for taxation** as a REIT **in the U. S** . Additionally, we maintain certain other region- specific organizational structures for various tax, legal and other business purposes. The organization, maintenance and reporting requirements for our entity structure are complex and require coordination amongst many teams within Equinix and the use of outside service providers. While we use automation tools and software where possible to manage this process, ~~some~~ **a meaningful amount of** work continues to be manual. We believe we have adequate controls in place to manage these complex structures, but if our controls fail, there could be significant legal and tax implications to our business and our operations including but not limited to material tax and legal liabilities. Risks Related to Our REIT Status in the ~~US~~ **U. S.** We may not remain qualified for taxation as a REIT. We elected to be taxed as a REIT for U. S. federal income tax purposes beginning with our 2015 taxable year. We believe that our organization and method of operation comply with the rules and regulations promulgated under the Internal Revenue Code of 1986, as amended (the" Code"), such that we will continue to qualify for taxation as a REIT. However, we cannot assure you that we have qualified for taxation as a REIT or that we will remain so qualified. Qualification for taxation as a REIT involves the application of highly technical and complex provisions of the Code to our operations as well as various factual determinations concerning matters and circumstances not entirely within our control. There are limited judicial or administrative interpretations of applicable REIT provisions of the Code. If, in any taxable year, we fail to remain qualified for taxation as a REIT and are not entitled to relief under the Code: • we will not be allowed a deduction for distributions to stockholders in computing our taxable income; • we will be subject to U. S. federal and state income tax on our taxable income at regular corporate income tax rates; and • we would not be eligible to elect REIT status again until the fifth taxable year that begins after the first year for which we failed to qualify for taxation as a REIT. Any such corporate tax liability could be substantial and would reduce the amount of cash available for other purposes. If we fail to remain qualified for taxation as a REIT, we may need to borrow additional funds or liquidate some investments to pay any additional tax liability. Accordingly, funds available for investment and distributions to stockholders could be reduced. As a REIT, failure to make required distributions would subject us to federal corporate income tax. We paid quarterly distributions in each quarter of ~~2022~~ **2023** and have declared a quarterly distribution **for the fourth quarter of 2023** to be paid on March ~~22~~ **20**, ~~2023~~ **2024**. The amount, timing and form of any future distributions will be determined, and will be subject to adjustment, by our Board of Directors. To remain qualified for taxation as a REIT, we are generally required to distribute at least 90 % of our REIT taxable income (determined without regard to the dividends paid deduction and excluding net capital gain) each year, or in limited circumstances, the following year, to our stockholders. Generally, we expect to distribute all or substantially all of our REIT taxable income. If our cash available for distribution falls short of our estimates, we may be unable to maintain distributions that approximate our REIT taxable income and may fail to remain qualified for taxation as a REIT. In addition, our cash flows from operations may be insufficient to fund required distributions as a result of differences in timing between the actual receipt of income and the payment of expenses and the recognition of income and expenses for federal income tax purposes, or the effect of nondeductible expenditures, such as capital expenditures, payments of compensation for which Section 162 (m) of the Code denies a deduction, interest expense deductions limited by Section 163 (j) of the Code, the creation of reserves or required debt service or amortization payments. To the extent that we satisfy the 90 % distribution requirement but distribute less than 100 % of our REIT taxable income, we will be subject to federal corporate income tax on our undistributed taxable income. In addition, we will be subject to a 4 % nondeductible excise tax on our undistributed taxable income if the actual amount that we distribute to our stockholders for a calendar year is less than the minimum amount specified under the Code. Complying with REIT requirements may limit our flexibility or cause us to forgo otherwise attractive opportunities. To remain qualified for taxation as a REIT for U. S. federal income tax purposes, we must satisfy tests concerning, among other things, the sources of our income, the nature and diversification of our assets and the amounts we distribute to our stockholders. For example, under the Code, no more than 20 % of the value of the assets of a REIT may be represented by securities of one or more TRSs. Similar rules apply to other nonqualifying assets. These limitations may affect our ability to make large investments in other non- REIT qualifying operations or assets. In addition, in order to maintain our qualification for taxation as a REIT, we must distribute at least 90 % of our REIT taxable income, determined without regard to the dividends paid deduction and excluding any net capital gains. Even if we maintain our qualification for taxation as a REIT, we will be subject to U. S. federal income tax at regular corporate income tax rates for our undistributed REIT taxable income, as well as U. S. federal income tax at regular corporate income tax rates for income recognized by our TRSs; we also pay taxes in the foreign jurisdictions in which our international assets and operations are held and conducted regardless of our qualification for taxation as a REIT. Because of these distribution requirements, we will likely not be able to fund future capital needs and investments from operating cash flow. As such, compliance with REIT tests may hinder our ability to make certain attractive investments, including the purchase of significant nonqualifying assets and the material expansion of non- real estate activities. Our use of TRSs, including for certain of our international operations, may cause us to fail to remain qualified for taxation as a REIT in the U. S. Our operations **utilize** ~~include using~~ TRSs to facilitate ~~meeting the~~ **our qualification for taxation as a** REIT ~~compliance requirements~~. The net income of our TRSs is not ~~fully~~ included in our ~~QRS~~ **REIT taxable income unless it is distributed by an applicable TRS**, and income that is not included in our ~~QRSs~~ **REIT taxable income** generally is not subject to the REIT income distribution requirement. Our ability to receive distributions from our TRSs is limited by the rules with which we must comply to maintain our qualification for taxation as a REIT. In particular, at least 75 % of our gross income for each taxable year as a REIT must be derived from real estate. Consequently, no more than 25 % of our gross income may consist of dividend income from our TRSs and other nonqualifying types of income. Thus, our ability to receive distributions from our TRSs may be limited and may impact our ability to fund distributions to our stockholders using cash flows from our TRSs. Further, there may be limitations on our ability to accumulate earnings in our TRSs and the accumulation or reinvestment of significant earnings in our TRSs could result in adverse tax treatment. In particular, if the accumulation of cash in our TRSs causes (1) the fair market value of our securities in our TRSs to exceed 20 % of the fair market value of our assets or (2) the fair market value of our securities in our TRSs and other nonqualifying assets to exceed 25 % of the fair market value of our assets, then we will fail to remain qualified for taxation as a REIT. Further, a substantial portion of our TRSs are overseas, and a material change in foreign currency rates could also negatively impact our ability to remain qualified for taxation as a REIT. The Code imposes limitations on the ability of our TRSs to utilize specified income tax deductions, including limits on the use of net operating losses and limits on the deductibility of interest expense. Even if we remain qualified for taxation as a REIT, some of our business activities are subject to corporate level income tax and foreign taxes, which will continue to reduce our cash flows, and we will have potential deferred and contingent tax liabilities. Even if we remain qualified for taxation as a REIT, we may be subject to some federal, state, local and foreign taxes, including taxes on any undistributed income, and state, local or foreign income, franchise, property and transfer taxes. In addition, we could in certain circumstances be required to pay an excise or penalty tax, which could be significant in amount, in respect of dealer property income or in order to utilize one or more relief provisions under the Code to maintain our qualification for taxation as a REIT. A portion of our business is conducted through wholly ~~-~~owned TRSs because certain of our business activities could generate nonqualifying REIT income as currently structured and operated. The income of our U. S. TRSs will continue to be subject to federal and state corporate income taxes. In addition, our international assets and operations will continue to be subject to taxation in the foreign jurisdictions where those assets are held or those operations are conducted. Any of these taxes would decrease our earnings and our available cash. We will also be subject to a U. S. federal corporate level income tax at the highest regular corporate income tax rate on gain recognized from a sale of a REIT asset where our basis in the asset is determined by reference to the basis of the asset in the hands of a C corporation (such as an asset that we or our QRSs hold following the liquidation or other conversion of a former TRS). This tax is generally applicable to any disposition of such an asset during the five- year period after the date we first owned the asset as a REIT asset, to the extent of the built- in- gain based on the fair market value of such asset on the date we first held the asset as a REIT asset. Our certificate of incorporation contains restrictions on the ownership and transfer of our stock, though they may not be successful in preserving our qualification for taxation as a REIT. In order for us to remain qualified for taxation as a REIT, no more than 50 % of the value of outstanding shares of our stock may be owned, beneficially or constructively, by five or fewer individuals at any time during the last half of each taxable year. In addition, rents from" affiliated tenants" will not qualify as qualifying REIT income if we own 10 % or more by vote or value of the customer, whether directly or after application of attribution rules under the Code. Subject to certain exceptions, our certificate of incorporation prohibits any stockholder from owning, beneficially or constructively, more than (i) 9. 8 % in value of the outstanding shares of all classes or series of our capital stock or (ii) 9. 8 % in value or number, whichever is more restrictive, of the outstanding shares of any class or series of our capital stock. We refer to these restrictions collectively as the" ownership limits" and we included them in our certificate of incorporation to facilitate our compliance with REIT tax rules. The constructive ownership rules under the Code are complex and may cause the outstanding stock owned by a group of related individuals or entities to be deemed to be constructively owned by one individual or entity. As a result, the acquisition of less than 9. 8 % of our outstanding common stock (or the outstanding shares of any class or series of our stock) by an individual or entity could cause that individual or entity or another individual or entity to own constructively in excess of the relevant ownership limits. Any attempt to own or transfer shares of our common stock or of any of our other capital stock in violation of these restrictions may result in the shares being automatically transferred to a charitable trust or may be void. Even though our certificate of incorporation contains the ownership limits, there can be no assurance that these provisions will be effective to prevent our qualification for taxation as a REIT from being jeopardized, including under the affiliated tenant rule. Furthermore, there can be no assurance that we will be able to monitor and enforce the ownership limits. If the restrictions in our certificate of incorporation are not effective and, as a result, we fail to satisfy the REIT tax rules described above, then absent an applicable relief provision, we will fail to remain qualified for taxation as a REIT. In addition, the ownership and transfer restrictions could delay, defer or prevent a transaction or a change in control that might involve a premium price for our stock or otherwise be in the best interest of our stockholders. As a result, the overall effect of the ownership and transfer restrictions may be to render more difficult or discourage any attempt to acquire us, even if such acquisition may be favorable to the interests of our stockholders. General Risk Factors The effects of ~~the~~ **a pandemic (including** COVID- 19 **)** ~~or any other pandemic~~ could have a negative effect on our business, results of operations and financial condition. We ~~have~~ continuously monitored our global operations in light of the COVID- 19 pandemic. We ~~have~~ implemented procedures focusing on the health and safety of our employees, customers, partners and communities, the continuity of our business offerings and compliance with governmental regulations and local public health guidance and ordinances. While our business operations ~~have~~ continued without interruption and our IBX data centers ~~have~~ remained fully operational to date, we cannot guarantee our business operations or our IBX data centers will not be negatively impacted in the future because of ~~the~~ **another pandemic, including one related to** COVID- 19 ~~or any other pandemic~~. The market price of our stock may continue to be highly volatile, and the value of an investment in our common stock may decline. The market price of the shares of our common stock has recently been and may continue to be highly volatile. General economic and market conditions, like the ones we are currently experiencing, and market conditions for telecommunications, data center and REIT stocks in general, may affect the market price of our common stock. Announcements by us or others, or speculations about our future plans, may also have a significant impact on the market price of our common stock. These may relate to: ~~• news or regulations regarding the ongoing COVID- 19 or any other pandemic;~~ • our results of operations or forecasts; • new issuances of equity, debt or convertible debt by us, including issuances through any existing ATM Program; • increases in market interest rates and changes in other general market and economic conditions, including inflationary concerns; • changes to our capital allocation, tax planning or business strategy; • our qualification for taxation as a REIT and our declaration of distributions to our stockholders; • changes in U. S. or foreign tax laws; • changes in management or key personnel; • developments in our relationships with customers; • announcements by our customers or competitors; • changes in regulatory policy or interpretation; • governmental investigations; • changes in the ratings of our debt or stock by rating agencies or securities analysts; • our purchase or development of real estate and / or additional IBX data centers; • our acquisitions of complementary businesses; or • the operational performance of our IBX data centers. The stock market has from time **-** to **-** time experienced extreme price and volume fluctuations, which have particularly affected the market prices for telecommunications companies, and which have often been unrelated to their operating performance. These broad market fluctuations may adversely affect the market price of our common stock. One of the factors that investors may consider in deciding whether to buy or sell our common stock is our distribution rate as a percentage of our stock price relative to market interest rates. If market interest rates increase, prospective investors may demand a higher distribution rate or seek alternative investments paying higher dividends or interest. As a result, interest rate fluctuations and conditions in the capital markets may affect the market value of our common stock. Furthermore, companies that have experienced volatility in the market price of their stock have been subject to securities class action litigation. We may be the target of this type of litigation in the future. Securities litigation against us could result in substantial costs and / or damages, and divert management' s attention from other business concerns, which could seriously harm our business. Inadequate or inaccurate external and internal information, including budget and planning data, could lead to inaccurate financial forecasts and inappropriate financial decisions. Our financial forecasts are dependent on estimates and assumptions regarding budget and planning data, market growth, foreign exchange rates, our ability to remain qualified for taxation as a REIT, and our ability to generate sufficient cash flow to reinvest in the business, fund internal growth, make acquisitions, pay dividends and meet our debt obligations. Our financial projections are based on historical experience and on various other assumptions that our management believes to be reasonable under the circumstances and at the time they are made. We continue to evolve our forecasting models as necessary and appropriate but if our predictions are inaccurate and our results differ materially from our forecasts, we could make inappropriate financial decisions. Additionally, inaccuracies in our models could adversely impact our compliance with REIT asset tests, future profitability, stock price and / or stockholder confidence. Fluctuations in foreign currency exchange rates, especially the strength of the U. S. dollar, in the markets in which we operate internationally could harm our results of operations. We have experienced and may continue to experience gains and losses resulting from fluctuations in foreign currency exchange rates. To date, the majority of revenues and costs in our international operations are denominated in foreign currencies. ~~As we experienced in 2022, where~~ **Where** our prices are denominated in U. S. Dollars, our sales and revenues could be adversely affected by declines in foreign currencies relative to the U. S. Dollar, thereby making our offerings more expensive in local currencies. We are also exposed to risks resulting from fluctuations in foreign currency exchange rates in connection with our international operations. To the extent we are paying contractors in foreign currencies, our operations could cost more than anticipated as a result of declines in the U. S. Dollar relative to foreign currencies. In addition, fluctuating foreign currency exchange rates have a direct impact on how our international results of operations translate into U. S. Dollars. Although we currently undertake, and may decide in the future to further undertake, foreign exchange hedging transactions to reduce foreign currency transaction exposure, we do not currently intend to eliminate all foreign currency transaction exposure. In addition, REIT compliance rules may restrict our ability to enter into hedging transactions. Therefore, any weakness of the U. S. Dollar may have a positive impact on our consolidated results of operations because the currencies in the foreign countries in which we operate may translate into more U. S. Dollars. However, as we have experienced more recently, if the U. S. Dollar strengthens relative to the currencies of the foreign countries in which we operate, our consolidated financial position and results of operations may be negatively impacted as amounts in foreign currencies will generally translate into fewer U. S. Dollars. For additional information on foreign currency risks, refer to our discussion of foreign currency risk in" Quantitative and Qualitative Disclosures ~~About~~ **about** Market Risk" included in Item 2 of this Annual Report on Form 10- K.