UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2020

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from __________ to __________

Commission File Number 000-31293

EQUINIX, INC.
(Exact name of registrant as specified in its charter)

Delaware	**77-0487526**
(State of incorporation)	(I.R.S. Employer Identification No.)

One Lagoon Drive, Redwood City, California 94065
(Address of principal executive offices, including ZIP code)

(650) 598-6000
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol	Name of each exchange on which registered
Common Stock, $0.001	EQIX	The NASDAQ Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The number of shares outstanding of the registrant's Common Stock as of May 6, 2020 was 85,927,044.

EQUINIX, INC.

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PART I - FINANCIAL INFORMATION

Item 1. Condensed Consolidated Financial Statements

EQUINIX, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share data)

	March 31, 2020	December 31, 2019
	(Unaudited)	
Assets		
Current assets:		
Cash and cash equivalents	$ 1,171,339	$ 1,869,577
Short-term investments	25,833	10,362
Accounts receivable, net of allowance for doubtful accounts of $14,793 and $13,026	687,153	689,134
Other current assets	435,784	303,543
Total current assets	2,320,109	2,872,616
Property, plant and equipment, net	12,177,044	12,152,597
Operating lease right-of-use assets	1,414,711	1,475,367
Goodwill	4,927,459	4,781,858
Intangible assets, net	2,108,539	2,102,389
Other assets	642,836	580,788
Total assets	$ 23,590,698	$ 23,965,615
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable and accrued expenses	$ 717,574	$ 760,718
Accrued property, plant and equipment	317,144	301,535
Current portion of operating lease liabilities	140,596	145,606
Current portion of finance lease liabilities	89,262	75,239
Current portion of mortgage and loans payable	74,473	77,603
Current portion of senior notes	300,401	643,224
Other current liabilities	199,023	153,938
Total current liabilities	1,838,473	2,157,863
Operating lease liabilities, less current portion	1,261,964	1,315,656
Finance lease liabilities, less current portion	1,489,945	1,430,882
Mortgage and loans payable, less current portion	1,469,195	1,289,434
Senior notes, less current portion	8,253,745	8,309,673
Other liabilities	608,082	621,725
Total liabilities	14,921,404	15,125,233
Commitments and contingencies (Note 10)		
Equinix stockholders' equity		
Common stock, $0.001 par value per share: 300,000,000 shares authorized; 86,269,033 issued and 85,927,060 outstanding in 2020 and 85,700,953 issued and 85,308,386 outstanding in 2019	86	86
Additional paid-in capital	12,893,455	12,696,433
Treasury stock, at cost; 341,973 shares in 2020 and 392,567 shares in 2019	(127,298)	(144,256)
Accumulated dividends	(4,399,527)	(4,168,469)
Accumulated other comprehensive loss	(1,206,669)	(934,613)
Retained earnings	1,509,317	1,391,425
Total Equinix stockholders' equity	8,669,364	8,840,606
Non-controlling interests	(70)	(224)
Total stockholders' equity	8,669,294	8,840,382
Total liabilities and stockholders' equity	$ 23,590,698	$ 23,965,615

See accompanying notes to condensed consolidated financial statements.

EQUINIX, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share data)

	Three Months Ended March 31, 2020	Three Months Ended March 31, 2019
	(Unaudited)	
Revenues	$ 1,444,542	$ 1,363,218
Costs and operating expenses:		
Cost of revenues	736,282	682,030
Sales and marketing	180,450	169,715
General and administrative	261,597	215,046
Transaction costs	11,530	2,471
Impairment charges	—	14,448
Loss on asset sales	1,199	—
Total costs and operating expenses	1,191,058	1,083,710
Income from operations	253,484	279,508
Interest income	4,273	4,202
Interest expense	(107,338)	(122,846)
Other income (expense)	5,170	(166)
Loss on debt extinguishment	(6,441)	(382)
Income before income taxes	149,148	160,316
Income tax expense	(30,191)	(42,569)
Net income	118,957	117,747
Net (income) loss attributable to non-controlling interests	(165)	331
Net income attributable to Equinix	$ 118,792	$ 118,078
Earnings per share ("EPS") attributable to Equinix:		
Basic EPS	$ 1.39	$ 1.44
Weighted-average shares for basic EPS	85,551	81,814
Diluted EPS	$ 1.38	$ 1.44
Weighted-average shares for diluted EPS	86,144	82,090

See accompanying notes to condensed consolidated financial statements.

EQUINIX, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(in thousands)

	Three Months Ended March 31,	
	2020	2019
	(Unaudited)	
Net income	$ 118,957	$ 117,747
Other comprehensive income (loss), net of tax:		
Foreign currency translation adjustment ("CTA") loss, net of tax effects of $0 and $(10)	(413,792)	(81,719)
Net investment hedge CTA gain, net of tax effect of $0 and $10	144,946	76,850
Unrealized gain (loss) on cash flow hedges, net of tax effects of $(6,367) and $(2,741)	(3,256)	8,224
Net actuarial gain (loss) on defined benefit plans, net of tax effects of $9 and $(1)	35	(11)
Total other comprehensive income (loss), net of tax	(272,067)	3,344
Comprehensive income (loss), net of tax	(153,110)	121,091
Net (income) loss attributable to non-controlling interests	(165)	331
Other comprehensive (income) loss attributable to non-controlling interests	11	(7)
Comprehensive income (loss) attributable to Equinix	$ (153,264)	$ 121,415

See accompanying notes to condensed consolidated financial statements.

EQUINIX, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Three Months Ended March 31, 2020	2019
	(Unaudited)	
Cash flows from operating activities:		
Net income	$ 118,957	$ 117,747
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	287,378	263,643
Stock-based compensation	64,499	49,023
Amortization of intangible assets	48,491	49,535
Amortization of debt issuance costs and debt discounts and premiums	3,460	2,995
Provision for allowance for doubtful accounts	3,934	4,594
Impairment charges	—	14,448
Loss on asset sales	1,199	—
Loss on debt extinguishment	6,441	382
Other items	4,484	5,157
Changes in operating assets and liabilities:		
Accounts receivable	15,306	(84,350)
Income taxes, net	3,697	15,825
Other assets	(101,882)	(7,833)
Operating lease right-of-use assets	38,797	41,264
Operating lease liabilities	(35,193)	(38,886)
Accounts payable and accrued expenses	(25,681)	(11,463)
Other liabilities	82,943	(940)
Net cash provided by operating activities	516,830	421,141
Cash flows from investing activities:		
Purchases of investments	(44,813)	(9,297)
Sales of investments	5,873	518
Business acquisitions, net of cash and restricted cash acquired	(478,287)	—
Purchases of real estate	(36,373)	(5,721)
Purchases of other property, plant and equipment	(400,941)	(363,967)
Net cash used in investing activities	(954,541)	(378,467)
Cash flows from financing activities:		
Proceeds from employee equity awards	30,391	27,593
Payment of dividends and special distribution	(233,479)	(204,603)
Proceeds from public offering of common stock, net of issuance costs	101,792	1,213,434
Proceeds from revolving credit facility	250,000	—
Repayments of finance lease liabilities	(18,977)	(31,158)
Repayments of mortgage and loans payable	(18,501)	(18,334)
Repayment of senior notes	(343,711)	—
Debt extinguishment costs	(4,619)	—
Net cash provided by (used in) financing activities	(237,104)	986,932
Effect of foreign currency exchange rates on cash, cash equivalents and restricted cash	(25,287)	(1,695)
Net increase (decrease) in cash, cash equivalents and restricted cash	(700,102)	1,027,911
Cash, cash equivalents and restricted cash at beginning of period	1,886,613	627,604
Cash, cash equivalents and restricted cash at end of period	$ 1,186,511	$ 1,655,515
Cash and cash equivalents	$ 1,171,339	$ 1,633,844
Current portion of restricted cash included in other current assets	6,483	11,305
Non-current portion of restricted cash included in other assets	8,689	10,366
Total cash, cash equivalents, and restricted cash shown in the condensed consolidated statement of cash flows	$ 1,186,511	$ 1,655,515

See accompanying notes to condensed consolidated financial statements.

EQUINIX, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. Basis of Presentation and Significant Accounting Policies

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared by Equinix, Inc. ("Equinix" or the "Company") and reflect all adjustments, consisting only of normal recurring adjustments, which in the opinion of management are necessary to fairly state the financial position and the results of operations for the interim periods presented. The condensed consolidated balance sheet data as of December 31, 2019 has been derived from audited consolidated financial statements as of that date. The condensed consolidated financial statements have been prepared in accordance with the regulations of the Securities and Exchange Commission ("SEC"), but omit certain information and footnote disclosure necessary to present the statements in accordance with generally accepted accounting principles in the United States of America ("U.S. GAAP"). For further information, refer to the Consolidated Financial Statements and Notes thereto included in Equinix's Form 10-K as filed with the SEC on February 21, 2020. Results for the interim periods are not necessarily indicative of results for the entire fiscal year.

Consolidation

The accompanying unaudited condensed consolidated financial statements include the accounts of Equinix and its subsidiaries, including the acquisitions of Packet Host, Inc. from March 2, 2020, three data centers in Mexico acquired from Axtel S.A.B. de C.V from January 8, 2020, and Switch Datacenters' AMS1 data center business in Amsterdam, Netherlands from April 18, 2019. All intercompany accounts and transactions have been eliminated in consolidation.

Income Taxes

The Company elected to be taxed as a real estate investment trust for U.S. federal income tax purposes ("REIT") beginning with its 2015 taxable year. As a result, the Company may deduct the distributions made to its stockholders from taxable income generated by the Company and its qualified REIT subsidiaries ("QRSs"). The Company's dividends paid deduction generally eliminates the U.S. federal taxable income of the Company and its QRSs, resulting in no U.S. federal income tax due. However, the Company's domestic taxable REIT subsidiaries ("TRSs") are subject to U.S. corporate income taxes on any taxable income generated by them. In addition, the foreign operations of the Company are subject to local income taxes regardless of whether the foreign operations are operated as QRSs or TRSs.

The Company provides for income taxes during interim periods based on the estimated effective tax rate for the year. The effective tax rate is subject to change in the future due to various factors such as the operating performance of the Company, tax law changes and future business acquisitions.

The Company's effective tax rates were 20.2% and 26.6% for the three months ended March 31, 2020 and 2019, respectively.

Coronavirus (COVID-19) Update

In December 2019, a novel strain of coronavirus, referred to as Coronavirus disease 2019, or COVID-19, emerged. On February 29, 2020, the World Health Organization (“WHO”) raised the COVID-19 threat from high to very high, and on March 11, 2020, the WHO characterized COVID-19 as a global pandemic. The extent to which the Company’s operations will be impacted by COVID-19 will depend largely on future developments, which are highly uncertain and cannot be accurately predicted, including new information which may emerge concerning the severity of the outbreak and actions by government authorities to contain the outbreak or treat its impact, among other things. As of the date of issuance of the financial statements, the Company is not aware of any specific event or circumstance that would require it to update its estimates, judgments or revise the carrying value of its assets or liabilities. These estimates may change, as new events occur and additional information is obtained, and will be recognized in the condensed consolidated financial statements as soon as they become known. Actual results could differ from these estimates.

Recent Accounting Pronouncements

Accounting Standards Not Yet Adopted

In December 2019, Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2019-12, Income Taxes ("Topic 740"): Simplifying the Accounting for Income Taxes. The ASU simplifies accounting for income taxes by removing certain exceptions to the general principles in Topic 740. The ASU also improves consistent application of and simplifies generally accepted accounting principles ("GAAP") for other areas of Topic 740 by clarifying and amending existing guidance. For public entities, the ASU is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2020, with early adoption permitted including adoption in any interim period for periods for which financial statements have not yet been issued. The Company is currently evaluating the extent of the impact that the adoption of this standard will have on its condensed consolidated financial statements.

Accounting Standards Adopted

In March 2020, FASB issued ASU 2020-04, Reference Rate Reform ("Topic 848"): Facilitation of the Effects of Reference Rate Reform on Financial Reporting. The ASU provides optional expedients and exceptions for applying GAAP to contracts, hedging relationships, and other transactions affected by reference rate reform if certain criteria are met. The ASU is effective for all entities as of March 12, 2020 through December 31, 2022. The Company adopted the ASU upon its issuance and there was no impact on the Company's condensed consolidated financial statements for the three months ended March 31, 2020 as a result of adopting this standard. The Company will evaluate its debt, derivative and lease contracts that are eligible for modification relief and may apply the elections prospectively as needed.

In June 2016, FASB issued ASU 2016-13, Financial Instruments - Credit Losses ("Topic 326"): Measurement of Credit Losses on Financial Instruments. The ASU requires the measurement of all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. The ASU requires enhanced qualitative and quantitative disclosures to help investors and other financial statement users better understand significant estimates and judgments used in estimating credit losses, as well as the credit quality and underwriting standards of an organization's portfolio. The ASU is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019, with early adoption permitted. The Company adopted this new ASU on January 1, 2020 using the modified retrospective approach and recorded a net decrease to retained earnings of $0.9 million and a corresponding increase to allowance for doubtful accounts. The adoption did not have any significant impact on other financial assets within the scope of ASC 326, such as contract asset.

Accounts Receivable

Accounts receivables are recorded at invoice amount and are generally due in less than one year. Allowance for doubtful accounts are estimated losses resulting from the inability of customers making payments. An estimate of uncollectible amounts is made based on historical bad debts, age of customer receivable balances, customers' financial conditions and current economic trends. As of March 31, 2020, our allowance for doubtful accounts considered the current and potential future impacts caused by the COVID-19 pandemic based on information available to such date.

Accounts receivable, net, consisted of the following as of March 31, 2020 and December 31, 2019 (in thousands):

	March 31, 2020	December 31, 2019
Accounts receivable	$ 701,946	$ 702,160
Allowance for doubtful accounts	(14,793)	(13,026)
Accounts receivable, net	$ 687,153	$ 689,134

The following table summarizes the activity of the Company's allowance for doubtful accounts (in thousands):

Balance at December 31, 2019	$	13,026
Adjustments due to adoption of ASU 2016-13		900
Provision for allowance for doubtful accounts		3,934
Net write-offs and recoveries		(2,688)
Impact of foreign currency exchange and others		(379)
Balance at March 31, 2020	$	14,793

2. Revenue

Contract Balances

The following table summarizes the opening and closing balances of the Company's accounts receivable, net; contract asset, current; contract asset, non-current; deferred revenue, current; and deferred revenue, non-current (in thousands):

	Accounts receivable, net	Contract asset, current	Contract asset, non-current	Deferred revenue, current	Deferred revenue, non-current
Beginning balances as of January 1, 2020	$ 689,134	$ 10,033	$ 31,521	$ 76,193	$ 46,555
Closing balances as of March 31, 2020	687,153	10,457	33,619	79,575	48,107
Increase/(decrease)	$ (1,981)	$ 424	$ 2,098	$ 3,382	$ 1,552

The difference between the opening and closing balances of the Company's accounts receivable, net, contract assets and deferred revenues primarily results from revenue growth and the timing difference between the satisfaction of the Company's performance obligation and the customer's payment, as well as business combinations closed during the three months ended March 31, 2020 . The amounts of revenue recognized during the three months ended March 31, 2020 from the opening deferred revenue balance as of January 1, 2020 was $38.1 million.

Remaining performance obligations

As of March 31, 2020, approximately $7.2 billion of total revenues including deferred installation revenues are expected to be recognized in future periods, the majority of which will be recognized over the next 24 months. While initial contract terms vary in length, substantially all contracts thereafter automatically renew in one-year increments. Included in the remaining performance obligations is either 1) remaining performance obligations under the initial contract terms or 2) remaining performance obligations related to contracts in the renewal period once the initial terms have lapsed. The remaining performance obligations do not include variable consideration related to unsatisfied performance obligations such as the usage of metered power, service fees from xScale™ data centers, which are calculated based on future events or actual costs incurred in the future, or any contracts that could be terminated without any significant penalties such as the majority of interconnection revenues. The remaining performance obligations above include revenues to be recognized in the future related to arrangements where the Company is considered the lessor.

3. Earnings Per Share

The following table sets forth the computation of basic and diluted earnings per share ("EPS") for the periods presented (in thousands, except per share amounts):

	Three Months Ended March 31,	
	2020	2019
Net income	$ 118,957	$ 117,747
Net (income) loss attributable to non-controlling interests	(165)	331
Net income attributable to Equinix	$ 118,792	$ 118,078
Weighted-average shares used to calculate basic EPS	85,551	81,814
Effect of dilutive securities:		
Employee equity awards	593	276
Weighted-average shares used to calculate diluted EPS	86,144	82,090
EPS attributable to Equinix:		
Basic EPS	$ 1.39	$ 1.44
Diluted EPS	$ 1.38	$ 1.44

The Company has excluded common stock related to employee equity awards in the diluted EPS calculation above of approximately 45,000 shares and 469,000 shares for the three months ended March 31, 2020 and 2019, respectively, because their effect would be anti-dilutive.

4. Acquisitions

2020 Acquisitions

On March 2, 2020, the Company acquired all outstanding shares and equity awards of Packet Host, Inc. (“Packet”), a leading bare metal automation platform for a total purchase consideration of approximately $290.3 million in cash. In addition, the Company paid $16.1 million in cash to accelerate the vesting of unvested Packet equity awards for certain Packet employees, which was recorded as stock-based compensation expense during the three months ended March 31, 2020. In connection with the acquisition, the Company also issued restricted stock awards with an aggregated fair value of $30.2 million and a three-year vesting period, which will be recognized as stock-based compensation costs over the vesting period. The acquisition, combined with the Company’s own organic bare metal service in development, is expected to accelerate Equinix's strategy to help enterprises deploy hybrid multicloud architectures on Equinix's data center platform.

On January 8, 2020, the Company completed the acquisition of three data centers in Mexico from Axtel S.A.B. de C.V. (“Axtel”) for a total purchase consideration of approximately $189.0 million, including $175.0 million in cash and $14.0 million the Company paid to the seller for recoverable value-added taxes ("VAT") incurred prior to the acquisition, which related to a corresponding VAT receivable acquired upon acquisition. The acquisition supports the Company’s ongoing expansion to meet customer demand in the Americas region.

Both acquisitions constitute a business under the accounting standard for business combinations and, therefore, were accounted for as business combinations using the acquisition method of accounting. Under the acquisition method of accounting, the total purchase price is allocated to the assets acquired and liabilities assumed measured at fair value on the date of acquisition. As of March 31, 2020, the Company had not completed the detailed valuation analysis to derive the fair value of assets acquired and liabilities assumed, including property, plant and equipment, intangible assets and the related tax impacts; therefore, the purchase price allocation is based on provisional estimates and subject to continuing management analysis.

A summary of the preliminary allocation of total purchase consideration is presented as follows (in thousands):

	Packet	Axtel
Cash and cash equivalents	$ 1,029	$ —
Accounts receivable	5,148	—
Other current assets	108	14,048
Property, plant and equipment	28,980	76,407
Operating lease right-of-use assets	1,445	1,646
Intangible assets	68,600	22,750
Goodwill	223,117	78,902
Other assets	138	—
Total assets acquired	328,565	193,753
Accounts payable and accrued liabilities	(987)	(238)
Other current liabilities	(826)	—
Operating lease liabilities	(1,445)	(1,586)
Finance lease liabilities	(28,980)	—
Other liabilities	—	(162)
Deferred tax liabilities	(6,029)	(2,749)
Net assets acquired	$ 290,298	$ 189,018

The following table presents certain information on the acquired intangible assets (in thousands):

Intangible Assets	Fair Value	Estimated Useful Lives (Years)	Weighted-average Estimated Useful Lives (Years)
Packet:			
Trade names	$ 1,600	3.0	3.0
Existing technology	5,100	3.0	3.0
Customer relationships	61,900	10.0	10.0
Axtel:			
Customer relationships	22,750	15.0	15.0

The fair value of the Packet trade name was estimated using the relief from royalty method under the income approach. The Company applied a relief from royalty rate of 1.0% and a discount rate of 8.0%. The fair value of existing technology was estimated under the cost approach by projecting the cost to recreate a new asset with an equivalent utility of the existing technology. The key assumptions of the cost approach include total cost, time to recreate and functional obsolescence.

The fair value of customer relationships acquired from Packet and Axtel was estimated by applying an income approach, by calculating the present value of estimated future operating cash flows generated from existing customers less costs to realize the revenue. The Company applied a discount rate of 8.0% for Packet and 13.3% for Axtel, which reflects the nature of the assets as they relate to the risk and uncertainty of the estimated future operating cash flows, as well as the risk of the country within which the acquired business operates.

The fair value of property, plant and equipment was estimated by applying the cost approach, with the exception of land, which was estimated by applying the market approach. The key assumptions of the cost approach include replacement cost new, physical deterioration, functional and economic obsolescence, economic useful life, remaining useful life, age and effective age.

Goodwill represents the excess of the purchase price over the fair value of the net tangible and intangible assets acquired and liabilities assumed. Goodwill is attributable to the workforce of the acquired business and the projected revenue increase expected to arise from future customers after the Packet and Axtel acquisitions. Goodwill from both acquisitions is not amortizable for local tax purposes and is attributable to the Company's Americas region.

The Company incurred transaction costs of approximately $9.6 million during the three months ended March 31, 2020 for both acquisitions combined. The operating results of both acquisitions are reported in the Americas region following the date of acquisition. During the three months ended March 31, 2020, the Company's results of operations include $8.1 million of revenues and $13.6 million of net loss from operations from the combined operations of Packet and Axtel. The net loss was primarily attributable to the $16.1 million stock-based compensation expense incurred to accelerate the vesting of certain Packet employees' unvested Packet equity awards at the close of the Packet acquisition.

2019 Acquisition

On April 18, 2019, the Company completed the acquisition of Switch Datacenters' AMS1 data center business in Amsterdam, Netherlands, for a cash purchase price of approximately €30.6 million or approximately $34.3 million, at the exchange rate in effect on April 18, 2019. As of September 30, 2019, the Company had completed the detailed valuation analysis to derive the fair value of assets acquired and liabilities assumed and updated the final allocation of purchase price.

5. Equity Method Investments

On October 8, 2019, the Company entered into a joint venture in the form of a limited liability partnership with GIC, Singapore's sovereign wealth fund (the "EMEA Joint Venture"), to develop and operate xScale™ data centers in Europe. xScale data centers are engineered to meet the technical and operational requirements and price points of core hyperscale workload deployments and also offer access to Equinix's comprehensive suite of interconnection and edge services.

Upon closing, GIC contributed €152.6 million in cash, or $167.4 million at the exchange rate in effect on October 8, 2019, for an 80% partnership interest in the EMEA Joint Venture. Equinix sold certain xScale data center facilities to the EMEA Joint Venture in exchange for net cash proceeds of $351.8 million, as well as a 20% partnership interest in the EMEA Joint Venture with a fair value of $41.9 million. The Company accounts for its investments in the EMEA Joint Venture using the equity method of accounting, whereby the investments were recorded initially at fair value, which equals to the cost of the Company's initial equity contribution, and subsequently adjusted for cash contributions and the Company's share of the income and losses of the investees.

During the three months ended March 31, 2020, the Company made an additional equity contribution of $5.1 million to the EMEA Joint Venture. As of March 31, 2020 and December 31, 2019, the Company's equity method investments were $72.7 million and $59.7 million, respectively, and were included within other assets on the consolidated balance sheet. The Company's share of the income and losses of the equity method investments was not significant for the three months ended March 31, 2020, and was included in other income on the condensed consolidated statement of operations.

As part of the sale of its xScale data center facilities to the EMEA Joint Venture, the Company also received a contingent consideration receivable upon completion of certain performance milestones. The milestone payments are primarily contingent on the receipt of local regulatory approval for certain sites. The contingent consideration is considered a derivative and is remeasured at its fair value each reporting period using inputs such as probabilities of payment, discount rates, foreign currency forward rates and projected payment dates. The fair value measurements were based on significant inputs that are not observable in the market and thus represent Level 3 measurements. As of March 31, 2020 and December 31, 2019, the fair value of the contingent consideration was $38.9 million and $40.1 million, respectively, which was included in other current assets and other assets on the condensed consolidated balance sheet. Changes in the fair value of the contingent consideration were recorded in gain (loss) on asset sales on the condensed consolidated statement of operations.

6. Derivatives and Hedging Activities

Derivatives Designated as Hedging Instruments

Net Investment Hedges. The Company is exposed to the impact of foreign exchange rate fluctuations on the value of investments in its foreign subsidiaries whose functional currencies are other than the U.S. Dollar. In order to mitigate the impact of foreign currency exchange rates, the Company has entered into various foreign currency debt obligations, which are designated as hedges against the Company's net investments in foreign subsidiaries. As of March 31, 2020 and December 31, 2019, the total principal amounts of foreign currency debt obligations designated as net investment hedges were $4,245.1 million and $4,078.7 million, respectively.

The Company also uses cross-currency interest rate swaps to hedge a portion of its net investment in its European operations. As of both March 31, 2020 and December 31, 2019, U.S. Dollar to Euro cross-currency interest rate swap contracts with a total notional amount of $750.0 million were outstanding, with maturity dates in April 2022, January 2024 and January 2025. At maturity of each outstanding contract, the Company will receive U.S. Dollars from and pay Euros to the contract counterparty. During the term of each contract, the Company receives interest payments in U.S. Dollars and makes interest payments in Euros based on a notional amount and fixed interest rates determined at contract inception.

The effect of net investment hedges on accumulated other comprehensive income and the condensed consolidated statements of operations for the three months ended March 31, 2020 and 2019 was as follows (in thousands):

Amount of gain or (loss) recognized in accumulated other comprehensive income:

	Three Months Ended March 31,	
	2020	2019
Foreign currency debt	$ 99,102	$ 63,914
Cross-currency interest rate swaps (included component) (1)	14,140	15,515
Cross-currency interest rate swaps (excluded component) (2)	31,704	(2,590)
Total	$ 144,946	$ 76,839

Amount of gain or (loss) recognized in earnings:

		Three Months Ended March 31,	
	Location of gain or (loss)	2020	2019
Cross-currency interest rate swaps (excluded component) (2)	Interest expense	$ 5,089	$ 4,163
Total		$ 5,089	$ 4,163

(1) Included component represents foreign exchange spot rates.

(2) Excluded component represents cross-currency basis spread and interest rates.

Cash Flow Hedges. The Company hedges its foreign currency translation exposure for forecasted revenues and expenses in its EMEA region between the U.S. Dollar and the British Pound, Euro, Swedish Krona and Swiss Franc. The foreign currency forward and option contracts that the Company uses to hedge this exposure are designated as cash flow hedges. As of March 31, 2020 and December 31, 2019, the total notional amounts of these foreign exchange contracts were $985.7 million and $824.8 million, respectively. As of March 31, 2020, the Company's foreign exchange contracts had maturity dates ranging from April 2020 to March 2022 and the Company recorded a net gain of $33.0 million within accumulated other comprehensive income (loss) relating to cash flow hedges that will be reclassified to revenues and expenses as they mature in the next 12 months. As of December 31, 2019, the Company's foreign exchange contracts had maturity dates ranging from January 2020 to December 2021 and the Company recorded a net gain of $16.3 million within accumulated other comprehensive income (loss) relating to cash flow hedges that will be reclassified to revenues and expenses as they mature in the next 12 months.

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The Company hedges the interest rate exposure created by anticipated fixed rate debt issuances through the use of treasury locks and forward starting swaps (collectively, interest rate locks), which are designated as cash flow hedges. As of March 31, 2020, the total notional amount of interest rate locks was approximately $1.2 billion. As of December 31, 2019, the Company had no interest rate cash flow hedges outstanding. When interest rate locks are settled, any accumulated gain or loss included as a component of other comprehensive income (loss) will be amortized to interest expense over the life of the related debt. As of March 31, 2020 and December 31, 2019, the net loss and gain in accumulated other comprehensive income (loss) to be reclassified to interest expense in the next 12 months for interest rate locks is not significant.

The Company enters into intercompany hedging instruments ("intercompany derivatives") with wholly-owned subsidiaries of the Company in order to hedge certain forecasted revenues and expenses denominated in currencies other than the U.S. Dollar. Simultaneously, the Company enters into derivative contracts with unrelated third parties to externally hedge the net exposure created by such intercompany derivatives.

The effect of cash flow hedges on accumulated other comprehensive income and the condensed consolidated statements of operations for the three months ended March 31, 2020 and 2019 was as follows (in thousands):

Amount of gain or (loss) recognized in accumulated other comprehensive income:

	Three Months Ended March 31,	
	2020	2019
Foreign currency forward and option contracts (included component) (1)	$ 28,025	$ 10,965
Foreign currency option contracts (excluded component) (2)	1,318	—
Interest rate locks	(26,232)	—
Total	$ 3,111	$ 10,965

Amount of gain or (loss) reclassified from accumulated other comprehensive income to income:

		Three Months Ended March 31,	
	Location of gain or (loss)	2020	2019
Foreign currency forward contracts	Revenues	$ 21,219	$ 9,861
Foreign currency forward contracts	Costs and operating expenses	(11,000)	(5,329)
Interest rate locks	Interest Expense	168	—
Total		$ 10,387	$ 4,532

Amount of gain or (loss) excluded from effectiveness testing included in income:

		Three Months Ended March 31,	
	Location of gain or (loss)	2020	2019
Foreign currency forward contracts	Other income (expense)	$ —	$ 88
Foreign currency option contracts (excluded component) (2)	Revenues	(521)	—
Total		$ (521)	$ 88

(1) Included component represents foreign exchange spot rates.
(2) Excluded component represents option's time value.

Derivatives Not Designated as Hedging Instruments

Embedded Derivatives. The Company is deemed to have foreign currency forward contracts embedded in certain of the Company's customer agreements that are priced in currencies different from the functional or local currencies of the parties involved. These embedded derivatives are separated from their host contracts and carried on the Company's balance sheet at their fair value. The majority of these embedded derivatives arise as a result of the Company's foreign subsidiaries pricing their customer contracts in U.S. Dollars.

Economic Hedges of Embedded Derivatives. The Company uses foreign currency forward contracts to manage the foreign exchange risk associated with the Company's customer agreements that are priced in currencies different from the functional or local currencies of the parties involved ("economic hedges of embedded derivatives"). Foreign currency forward contracts represent agreements to exchange the currency of one country for the currency of another country at an agreed-upon price on an agreed-upon settlement date.

Foreign Currency Forward Contracts. The Company also uses foreign currency forward contracts to manage the foreign exchange risk associated with certain foreign currency-denominated monetary assets and liabilities. As a result of foreign currency fluctuations, the U.S. Dollar equivalent values of its foreign currency-denominated monetary assets and liabilities change. Gains and losses on these contracts are included in other income (expense), on a net basis, along with the foreign currency gains and losses of the related foreign currency-denominated monetary assets and liabilities associated with these foreign currency forward contracts. As of March 31, 2020 and December 31, 2019, the total notional amounts of these foreign currency contracts were $4.2 billion and $2.5 billion, respectively.

The following table presents the effect of derivatives not designated as hedging instruments in the Company's condensed consolidated statements of operations (in thousands):

Amount of gain or (loss) recognized in earnings:

		Three Months Ended March 31,	
	Location of gain or (loss)	**2020**	**2019**
Embedded derivatives	Revenues	$ 7,451	$ 907
Economic hedge of embedded derivatives	Revenues	(7,902)	(57)
Foreign currency forward contracts	Other income (expense)	133,824	8,351
Total		$ 133,373	$ 9,201

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Fair Value of Derivative Instruments

The following table presents the fair value of derivative instruments recognized in the Company's condensed consolidated balance sheets as of March 31, 2020 and December 31, 2019 (in thousands):

	March 31, 2020		December 31, 2019	
	Assets [1]	Liabilities [2]	Assets [1]	Liabilities [2]
Designated as hedging instruments:				
Cash flow hedges				
Foreign currency forward and option contracts	$ 46,544	$ 19	$ 24,853	$ 5,898
Interest rate locks	4,373	21,295	—	—
Net investment hedges				
Cross-currency interest rate swaps	72,095	—	26,251	—
Total designated as hedging	123,012	21,314	51,104	5,898
Not designated as hedging instruments:				
Embedded derivatives	10,733	1,102	4,595	2,268
Economic hedges of embedded derivatives	4,507	23	1,367	—
Foreign currency forward contracts	73,939	59,751	641	27,446
Total not designated as hedging	89,179	60,876	6,603	29,714
Total Derivatives	$ 212,191	$ 82,190	$ 57,707	$ 35,612

(1) As presented in the Company's condensed consolidated balance sheets within other current assets and other assets.
(2) As presented in the Company's condensed consolidated balance sheets within other current liabilities and other liabilities.

Offsetting Derivative Assets and Liabilities

The Company presents its derivative instruments and the accrued interest related to cross-currency interest rate swaps at gross fair values in the condensed consolidated balance sheets. The Company enters into master netting agreements with its counterparties for transactions other than embedded derivatives to mitigate credit risk exposure to any single counterparty. Master netting agreements allow for individual derivative contracts with a single counterparty to offset in the event of default. For presentation on the condensed consolidated balance sheets, the Company does not offset fair value amounts recognized for derivative instruments or the accrued interest related to cross-currency interest rate swaps under master netting arrangements. The following table presents information related to these offsetting arrangements as of March 31, 2020 and December 31, 2019 (in thousands):

	Gross Amounts Offset in Consolidated Balance Sheet				
	Gross Amounts	Gross Amounts Offset in the Balance Sheet	Net Amounts	Gross Amounts not Offset in the Balance Sheet	Net
March 31, 2020					
Derivative assets	$ 224,453	$ —	$ 224,453	$ (85,190)	$ 139,263
Derivative liabilities	88,477	—	88,477	(85,190)	3,287
December 31, 2019					
Derivative assets	$ 76,640	$ —	$ 76,640	$ (37,820)	$ 38,820
Derivative liabilities	45,832	—	45,832	(37,820)	8,012

7. Fair Value Measurements

Valuation Methods

Fair value estimates are made as of a specific point in time based on methods using the market approach valuation method which uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities or other valuation techniques. These techniques involve uncertainties and are affected by the assumptions used and the judgments made regarding risk characteristics of various financial instruments, discount rates, estimates of future cash flows, future expected loss experience and other factors.

Cash Equivalents and Investments. The fair value of the Company's investments in money market funds approximates their face value. Such instruments are included in cash equivalents. The Company's money market funds and publicly traded equity securities are classified within Level 1 of the fair value hierarchy because they are valued using quoted prices for identical instruments in active markets. The fair value of the Company's other investments, including certificates of deposit, approximates their face value. The fair value of these investments is priced based on the quoted market price for similar instruments or nonbinding market prices that are corroborated by observable market data. Such instruments are classified within Level 2 of the fair value hierarchy. The Company determines the fair values of its Level 2 investments by using inputs such as actual trade data, benchmark yields, broker/dealer quotes and other similar data, which are obtained from quoted market prices, custody bank, third-party pricing vendors or other sources. The Company uses such pricing data as the primary input to make its assessments and determinations as to the ultimate valuation of its investment portfolio and has not made, during the periods presented, any material adjustments to such inputs. The Company is responsible for its consolidated financial statements and underlying estimates.

The Company uses the specific identification method in computing realized gains and losses. Realized gains and losses from the sale of investments are included within other income (expense) in the Company's consolidated statements of operations. The Company's investments in publicly traded equity securities are carried at fair value. Unrealized gains and losses on publicly traded equity securities are reported within other income (expense) in the Company's consolidated statements of operations.

Derivative Assets and Liabilities. Inputs used for valuations of derivatives are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant inputs are observable in the market or can be corroborated by observable market data. The significant inputs used include spot currency rates and forward points, interest rate curves, and published credit default swap rates of its foreign exchange trading counterparties and other comparable companies. The Company has determined that the inputs used to value its derivatives fall within Level 2 of the fair value hierarchy, therefore the derivatives are categorized as Level 2.

The Company did not have any nonfinancial assets or liabilities measured at fair value on a recurring basis as of March 31, 2020 and December 31, 2019.

The Company's financial assets and liabilities measured at fair value on a recurring basis as of March 31, 2020 were as follows (in thousands):

	Fair Value at March 31, 2020	Fair Value Measurement Using	
		Level 1	Level 2
Assets:			
Money market and deposit accounts	$ 453,349	$ 453,349	$ —
Publicly traded equity securities	2,664	2,664	—
Certificates of deposit	23,169	—	23,169
Derivative instruments (1)	212,191	—	212,191
Total	$ 691,373	$ 456,013	$ 235,360
Liabilities:			
Derivative instruments (1)	$ 82,190	$ —	$ 82,190

(1) Amounts are included within other current assets, other assets, others current liabilities and other liabilities in the Company's accompanying condensed consolidated balance sheet.

The Company's financial assets and liabilities measured at fair value on a recurring basis as of December 31, 2019 were as follows (in thousands):

	Fair Value at December 31, 2019	Fair Value Measurement Using	
		Level 1	Level 2
Assets:			
Money market and deposit accounts	$ 886,547	$ 886,547	$ —
Publicly traded equity securities	2,779	2,779	—
Certificates of deposit	7,583	—	7,583
Derivative instruments (1)	57,707	—	57,707
Total	$ 954,616	$ 889,326	$ 65,290
Liabilities:			
Derivative instruments (1)	$ 35,612	$ —	$ 35,612

(1) Amounts are included within other current assets, other assets, other current liabilities and other liabilities in the Company's accompanying condensed consolidated balance sheet.

The Company did not have any Level 3 financial assets or financial liabilities measured at fair value on a recurring basis as of March 31, 2020 and December 31, 2019.

8. Leases

Significant Lease Transactions

Silicon Valley 4 ("SV4") Data Center

In February 2020, the Company exercised its first renewal option available to extend the lease term for the SV4 Data Center for 5 years. After exercising the first renewal option, there are two renewal options of 5 years each remaining. The Company concluded that the two remaining renewal options of 5 years each are reasonably certain to be exercised after considering all relevant factors that create an economic incentive for the Company. Therefore, the concluded lease term is 15 years and 7 months with the lease ending on September 30, 2035. The Company assessed the lease classification of the SV4 lease at the modification date and determined the lease should be accounted for as a finance lease. During the three months ended March 31, 2020, the Company recorded finance lease ROU asset and liability of $62.8 million and $63.3 million, respectively.

Hong Kong 1 ("HK1") Data Center

In March 2020, the Company entered into several lease agreements with the landlord to lease several premises in the HK1 Data Center. One of the premises commenced in March 2020 with an initial term of 18 years. The Company assessed the lease classification of that premises at the commencement date and determined the lease should be accounted for as a finance lease. The Company will assess the remaining premises when the leases commence. During the three months ended March 31, 2020 , the Company recorded finance lease ROU asset and liability of 163.0 million Hong Kong dollars or $21.0 million at the exchange rate in effect on March 31, 2020.

Lease Expenses

The components of lease expenses are as follows (in thousands):

	Three Months Ended March 31, 2020	Three Months Ended March 31, 2019
Finance lease cost		
Amortization of right-of-use assets [(1)]	$ 25,166	$ 20,086
Interest on lease liabilities	27,825	27,523
Total finance lease cost	52,991	47,609
Operating lease cost	53,791	51,639
Total lease cost	$ 106,782	$ 99,248

(1) Amortization of right-of-use assets is included with depreciation expense, and is recorded within cost of revenues, sales and marketing and general and administrative expenses in the condensed consolidated statements of operations.

Other Information

Other information related to leases is as follows (in thousands):

	Three Months Ended March 31, 2020	Three Months Ended March 31, 2019
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from finance leases	$ 26,967	$ 26,604
Operating cash flows from operating leases	51,985	49,262
Financing cash flows from finance leases	18,977	31,158
Right-of-use assets obtained in exchange for lease obligations: (1)		
Finance leases	$ 115,274	$ 16,307
Operating leases	6,612	28,987

	As of March 31, 2020	As of December 31, 2019
Weighted-average remaining lease term - finance leases (2)	15 years	15 years
Weighted-average remaining lease term - operating leases (2)	13 years	13 years
Weighted-average discount rate - finance leases	8 %	9 %
Weighted-average discount rate - operating leases	4 %	4 %
Finance lease assets (3)	$ 1,343,406	$ 1,277,614

(1) Represents all non-cash changes in ROU assets.
(2) Includes lease renewal options that are reasonably certain to be exercised.
(3) As of March 31, 2020 and December 31, 2019, the Company recorded accumulated amortization of finance lease assets of $498.1 million and $474.8 million, respectively. Finance lease assets are recorded within property, plant and equipment, net on the condensed consolidated balance sheets.

Maturities of Lease Liabilities

Maturities of lease liabilities as of March 31, 2020 are as follows (in thousands):

	Operating Leases	Finance Leases	Total
2020 (9 months remaining)	$ 137,567	$ 141,162	$ 278,729
2021	190,031	191,679	381,710
2022	182,747	188,362	371,109
2023	167,266	183,177	350,443
2024	155,392	181,116	336,508
Thereafter	1,080,313	1,796,773	2,877,086
Total lease payments	1,913,316	2,682,269	4,595,585
Plus amount representing residual property value	—	17,639	17,639
Less imputed interest	(510,756)	(1,120,701)	(1,631,457)
Total	$ 1,402,560	$ 1,579,207	$ 2,981,767

The Company entered into agreements with various landlords primarily to lease data center spaces and ground leases which have not yet commenced as of March 31, 2020. These leases will commence between fiscal years 2020 and 2022, with lease terms of 2 to 49 years and a total lease commitment of approximately $680.8 million.

9. Debt Facilities

Mortgage and Loans Payable

As of March 31, 2020 and December 31, 2019, the Company's mortgage and loans payable consisted of the following (in thousands):

	March 31, 2020	December 31, 2019
Term loans	$ 1,219,047	$ 1,287,151
Revolving credit facility	250,000	—
Mortgage payable and loans payable	77,236	82,967
	1,546,283	1,370,118
Less amount representing unamortized debt discount and debt issuance cost	(4,330)	(4,849)
Add amount representing unamortized mortgage premium	1,715	1,768
	1,543,668	1,367,037
Less current portion	(74,473)	(77,603)
Total	$ 1,469,195	$ 1,289,434

Senior Credit Facility - Revolving Facility

On December 12, 2017, the Company entered into a credit agreement with a group of lenders for a $3,000.0 million credit facility ("Senior Credit Facility"), comprised of a $2,000.0 million senior unsecured multicurrency revolving credit facility ("Revolving Facility") and an approximately $1,000.0 million senior unsecured multicurrency term loan facility. The Revolving Facility allows the Company to borrow, repay and reborrow over its term. The Revolving Facility provides a sublimit for the issuance of letters of credit of up to $250.0 million at any one time.

In March 2020, the Company borrowed a total of $250.0 million under the Revolving Facility, which remained outstanding as of March 31, 2020. In addition, the Company had 41 irrevocable letters of credit totaling $76.1 million issued and outstanding under the Revolving Facility as of March 31, 2020. As a result, the amount available to the Company to borrow under the Revolving Facility was approximately $1.7 billion as of March 31, 2020.

Senior Notes

As of March 31, 2020 and December 31, 2019, the Company's senior notes consisted of the following (in thousands):

	March 31, 2020		December 31, 2019	
	Amount	Effective Rate	Amount	Effective Rate
5.000% Infomart Senior Notes [1]	$ 450,000	4.46%	$ 450,000	4.46%
5.375% Senior Notes due 2022	—	—%	343,711	5.56%
2.625% Senior Notes due 2024	1,000,000	2.79%	1,000,000	2.79%
2.875% Euro Senior Notes due 2024	825,300	3.08%	841,500	3.08%
2.875% Euro Senior Notes due 2025	1,100,400	3.04%	1,122,000	3.04%
2.900% Senior Notes due 2026	600,000	3.04%	600,000	3.04%
5.875% Senior Notes due 2026	1,100,000	6.03%	1,100,000	6.03%
2.875% Euro Senior Notes due 2026	1,100,400	3.04%	1,122,000	3.04%
5.375% Senior Notes due 2027	1,250,000	5.51%	1,250,000	5.51%
3.200% Senior Notes due 2029	1,200,000	3.30%	1,200,000	3.30%
	8,626,100		9,029,211	
Less amount representing unamortized debt issuance cost	(73,075)		(78,030)	
Add amount representing unamortized debt premium	1,121		1,716	
	8,554,146		8,952,897	
Less current portion	(300,401)		(643,224)	
Total	$ 8,253,745		$ 8,309,673	

[1] 5.000% Infomart Senior Notes consist of three tranches due in each of April 2020, October 2020 and April 2021. The effective rate represents the weighted-average effective interest rates of the tranches outstanding at the periods presented in the table above.

On January 2, 2020, the Company redeemed the remaining $343.7 million principal amount of the 5.375% Senior Notes due 2022. In connection with the redemption, the Company incurred $5.9 million of loss on debt extinguishment, including $4.6 million redemption premium that was paid in cash and $1.3 million related to the write-off of unamortized debt issuance costs.

Maturities of Debt Instruments

The following table sets forth maturities of the Company's debt, including mortgage and loans payable, and senior notes, gross of debt issuance costs, debt discounts and debt premiums, as of March 31, 2020 (in thousands):

Years ending:	
2020 (9 months remaining)	$ 355,962
2021	224,507
2022	1,383,505
2023	6,357
2024	1,831,174
Thereafter	6,372,592
Total	$ 10,174,097

Fair Value of Debt Instruments

The following table sets forth the estimated fair values of the Company's mortgage and loans payable and senior notes, including current maturities, as of (in thousands):

	March 31, 2020	December 31, 2019
Mortgage and loans payable	$ 1,557,789	$ 1,378,429
Senior notes	8,366,223	9,339,497

The fair values of the mortgage and loans payable and 5.000% Infomart Senior Notes, which are not publicly traded, were estimated by considering the Company's credit rating, current rates available to the Company for debt of the same remaining maturities and terms of the debt (Level 2). The fair value of the senior notes, which are traded in the public debt market, was based on quoted market prices (Level 1).

Interest Charges

The following table sets forth total interest costs incurred and total interest costs capitalized for the periods presented (in thousands):

	Three Months Ended March 31,	
	2020	2019
Interest expense	$ 107,338	$ 122,846
Interest capitalized	6,031	9,854
Interest charges incurred	$ 113,369	$ 132,700

Total interest paid, net of capitalized interest, during the three months ended March 31, 2020 and 2019 was $119.9 million and $136.3 million, respectively.

10. Commitments and Contingencies

Purchase Commitments

As a result of the Company's various IBX data center expansion projects, as of March 31, 2020, the Company was contractually committed for approximately $0.9 billion of unaccrued capital expenditures, primarily for IBX infrastructure equipment not yet delivered and labor not yet provided, in connection with the work necessary to open these IBX data centers and make them available to customers for installation. The Company also had numerous other, non-capital purchase commitments in place as of March 31, 2020, such as commitments to purchase power in select locations through the remainder of 2020 and thereafter, and other open purchase orders for goods or services to be delivered or provided during the remainder of 2020 and thereafter. Such other miscellaneous purchase commitments totaled approximately $1.1 billion as of March 31, 2020. In addition, the Company entered into lease agreements in various locations that have not yet commenced as of March 31, 2020. For further information on lease commitments, see Note 8 above.

Equity Contribution Commitments

In connection with the EMEA Joint Venture closed in October 2019, the Company agreed to make future equity contributions to the EMEA Joint Venture. As of March 31, 2020, the Company had future equity contribution commitments of €16.1 million and £13.1 million, or $33.9 million in total at the exchange rate in effect on March 31, 2020.

Contingent Liabilities

The Company estimates exposure on certain liabilities, such as indirect and property taxes, based on the best information available at the time of determination. With respect to real and personal property taxes, the Company records what it can reasonably estimate based on prior payment history, assessed value by the assessor's office, current landlord estimates or estimates based on current or changing fixed asset values in each specific municipality, as applicable. However, there are circumstances beyond the Company's control whereby the underlying value of the property or basis for which the tax is calculated on the property may change, such as a landlord selling the underlying property of one of the Company's IBX data center leases or a municipality changing the assessment value in a jurisdiction and, as a result, the Company's property tax obligations may vary from period to period. Based upon the most current facts and circumstances, the Company makes the necessary property tax accruals for each of its reporting periods. However, revisions in the Company's estimates of the potential or actual liability could materially impact the financial position, results of operations or cash flows of the Company.

The Company's indirect and property tax filings in various jurisdictions are subject to examination by local tax authorities. 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 further changes to the tax laws and interpretations thereof. For example, we are currently undergoing audits and appealing the tentative assessments in a number of jurisdictions where we operate, such as France and Brazil. The final results of these audits and the outcomes of the appeals are uncertain and may not be resolved in our favor. The Company regularly assesses the likelihood of adverse outcomes resulting from these examinations and appeals that would affect the adequacy of its tax accruals for each of the reporting periods. If any issues arising from the tax examinations and appeals are resolved in a manner inconsistent with the Company's expectations, the revision of the estimates of the potential or actual liabilities could materially impact the financial position, results of operations, or cash flows of the Company.

11. Stockholders' Equity

Stockholders' Equity Rollforward

The following tables provide a rollforward of stockholders' equity for the three months ended March 31, 2020 and 2019 (in thousands):

	Common Stock		Treasury Stock		Additional Paid-in Capital	Accumulated Dividends	AOCI (Loss)	Retained Earnings	Equinix Stockholders' Equity	Non-controlling Interests	Total Stockholders' Equity
	Shares	Amount	Shares	Amount							
Balance as of December 31, 2019	85,700,953	$ 86	(392,567)	$(144,256)	$12,696,433	$(4,168,469)	$ (934,613)	$1,391,425	$ 8,840,606	$ (224)	$ 8,840,382
Adjustment from adoption of new accounting standard update	—	—	—	—	—	—	—	(900)	(900)	—	(900)
Net income	—	—	—	—	—	—	—	118,792	118,792	165	118,957
Other comprehensive loss	—	—	—	—	—	—	(272,056)	—	(272,056)	(11)	(272,067)
Issuance of common stock and release of treasury stock for employee equity awards	405,550	—	50,594	16,958	13,432	—	—	—	30,390	—	30,390
Issuance of common stock under ATM Program	162,530	—	—	—	101,791	—	—	—	101,791	—	101,791
Dividend distribution on common stock, $2.66 per share	—	—	—	—	—	(227,387)	—	—	(227,387)	—	(227,387)
Settlement of accrued dividends on vested equity awards	—	—	—	—	109	(403)	—	—	(294)	—	(294)
Accrued dividends on unvested equity awards	—	—	—	—	—	(3,268)	—	—	(3,268)	—	(3,268)
Stock-based compensation, net of estimated forfeitures	—	—	—	—	81,690	—	—	—	81,690	—	81,690
Balance as of March 31, 2020	86,269,033	$ 86	(341,973)	$(127,298)	$12,893,455	$(4,399,527)	$(1,206,669)	$1,509,317	$ 8,669,364	$ (70)	$ 8,669,294

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	Common Stock		Treasury Stock		Additional Paid-in Capital	Accumulated Dividends	AOCI (Loss)	Retained Earnings	Equinix Stockholders' Equity	Non-controlling interests	Total Stockholders' Equity
	Shares	Amount	Shares	Amount							
Balance as of December 31, 2018	81,119,117	$ 81	(396,859)	$(145,161)	$10,751,313	$(3,331,200)	$(945,702)	$ 889,948	$ 7,219,279	$ —	$ 7,219,279
Adjustment from adoption of new accounting standard update	—	—	—	—	—	—	—	(5,973)	(5,973)	—	(5,973)
Net income (loss)	—	—	—	—	—	—	—	118,078	118,078	(331)	117,747
Other comprehensive income	—	—	—	—	—	—	3,337	—	3,337	7	3,344
Issuance of common stock and release of treasury stock for employee equity awards	360,464	—	1,706	360	27,233	—	—	—	27,593	—	27,593
Issuance of common stock for equity offering	2,985,575	3	—	—	1,213,431	—	—	—	1,213,434	—	1,213,434
Dividend distribution on common stock, $2.46 per share	—	—	—	—	—	(198,933)	—	—	(198,933)	—	(198,933)
Settlement of accrued dividends on vested equity awards	—	—	—	—	284	(387)	—	—	(103)	—	(103)
Accrued dividends on unvested equity awards	—	—	—	—	—	(2,395)	—	—	(2,395)	—	(2,395)
Stock-based compensation, net of estimated forfeitures	—	—	—	—	50,795	—	—	—	50,795	—	50,795
Balance as of March 31, 2019	84,465,156	$ 84	(395,153)	$(144,801)	$12,043,056	$(3,532,915)	$(942,365)	$1,002,053	$ 8,425,112	$ (324)	$ 8,424,788

Accumulated Other Comprehensive Loss

The changes in accumulated other comprehensive loss, net of tax, by components are as follows (in thousands):

	Balance as of December 31, 2019	Net Change	Balance as of March 31, 2020
Foreign currency translation adjustment ("CTA") loss	$ (1,056,918)	$ (413,781)	$ (1,470,699)
Unrealized gain on cash flow hedges [(1)]	15,638	(3,256)	12,382
Net investment hedge CTA gain [(1)]	107,619	144,946	252,565
Net actuarial loss on defined benefit plans [(2)]	(952)	35	(917)
Accumulated other comprehensive loss attributable to Equinix	$ (934,613)	$ (272,056)	$ (1,206,669)

(1) Refer to Note 6 for a discussion of the amounts reclassified from accumulated other comprehensive loss to net income.

(2) The Company has a defined benefit pension plan covering all employees in one country where such plan is mandated by law. The Company does not have any defined benefit plans in any other countries. The unamortized gain (loss) on defined benefit plans includes gains or losses resulting from a change in the value of either the projected benefit obligation or the plan assets resulting from a change in an actuarial assumption, net of amortization.

Changes in foreign currencies can have a significant impact to the Company's consolidated balance sheets (as evidenced above in the Company's foreign currency translation loss), as well as its consolidated results of operations, as amounts in foreign currencies are generally translated into more U.S. Dollars when the U.S. Dollar weakens or fewer U.S. Dollars when the U.S. Dollar strengthens. As of March 31, 2020, the U.S. Dollar was generally stronger relative to certain of the currencies of the foreign countries in which the Company operates as compared to December 31, 2019. This overall strengthening of the U.S. Dollar had an overall unfavorable impact on the Company's condensed consolidated financial position because the foreign denominations translated into fewer U.S. Dollars as evidenced by an increase in foreign currency translation loss for the three months ended March 31, 2020 as reflected in the above table. The volatility of the U.S. Dollar as compared to the other currencies in which the Company operates could have a significant impact on its condensed consolidated financial position and results of operations including the amount of revenue that the Company reports in future periods.

Common Stock

In March 2019, the Company issued and sold 2,985,575 shares of common stock in a public offering pursuant to a registration statement and a related prospectus and prospectus supplement. The Company received net proceeds of approximately $1,213.4 million, net of underwriting discounts, commissions and offering expenses.

In December 2018, the Company launched an ATM program, under which it may offer and sell from time to time up to an aggregate of $750.0 million of its common stock in "at the market" transactions (the "ATM Program"). For the three months ended March 31, 2020, the Company sold 162,530 shares under the ATM Program, for approximately $101.8 million, net of payment of commissions to sales agents and other offering expenses. During the quarter ended March 31, 2019, no sales were made under the ATM Program.

Stock-Based Compensation

For the three months ended March 31, 2020, the Compensation Committee and/or the Stock Award Committee of the Company's Board of Directors, as the case may be, approved the issuance of an aggregate of 653,281 shares of restricted stock units to certain employees, including executive officers, pursuant to the 2000 Equity Incentive Plan. These equity awards are subject to vesting provisions and have a weighted-average grant date fair value of $579.24 and a weighted-average requisite service period of 3.31 years. The valuation of restricted stock units with only a service condition or a service and performance condition requires no significant assumptions as the fair value for these types of equity awards is based solely on the fair value of the Company's stock price on the date of grant. The Company used revenues and adjusted funds from operations ("AFFO") per share as the performance measurements in the restricted stock units with both service and performance conditions that were granted in the three months ended March 31, 2020.

The Company uses a Monte Carlo simulation option-pricing model to determine the fair value of restricted stock units with a service and market condition. The Company used total shareholder return ("TSR") as the performance measurement in the restricted stock units with a service and market condition that were granted in the three months ended March 31, 2020 . There were no significant changes in the assumptions used to determine the fair value of restricted stock units with a service and market condition that were granted in 2020 compared to the prior year.

The following table presents, by operating expense category, the Company's stock-based compensation expense recognized in the Company's condensed consolidated statements of operations (in thousands):

	Three Months Ended March 31,	
	2020	2019
Cost of revenues	$ 9,343	$ 5,012
Sales and marketing	18,545	13,301
General and administrative	52,678	30,710
Total	$ 80,566	$ 49,023

12. Segment Information

While the Company has a single line of business, which is the design, build-out and operation of IBX data centers, it has determined that it has three reportable segments comprised of its Americas, EMEA and Asia-Pacific geographic regions. The Company's chief operating decision-maker evaluates performance, makes operating decisions and allocates resources based on the Company's revenues and adjusted EBITDA performance both on a consolidated basis and based on these three reportable segments.

EQUINIX, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
(Unaudited)

The following tables present revenue information disaggregated by product lines and geographic areas (in thousands):

	Three Months Ended March 31, 2020			
	Americas	EMEA	Asia-Pacific	Total
Colocation [1]	$ 450,954	$ 362,330	$ 221,093	$ 1,034,377
Interconnection	150,929	48,541	42,671	242,141
Managed infrastructure	25,529	30,137	21,824	77,490
Other [1]	5,220	2,466	—	7,686
Recurring revenues	632,632	443,474	285,588	1,361,694
Non-recurring revenues	29,273	35,435	18,140	82,848
Total	$ 661,905	$ 478,909	$ 303,728	$ 1,444,542

[1] Includes some leasing and hedging activities.

	Three Months Ended March 31, 2019			
	Americas	EMEA	Asia-Pacific	Total
Colocation [1]	$ 439,981	$ 331,125	$ 209,665	$ 980,771
Interconnection	138,563	37,525	36,696	212,784
Managed infrastructure	21,787	29,088	21,920	72,795
Other [1]	5,979	2,499	—	8,478
Recurring revenues	606,310	400,237	268,281	1,274,828
Non-recurring revenues	38,056	34,423	15,911	88,390
Total	$ 644,366	$ 434,660	$ 284,192	$ 1,363,218

[1] Includes some leasing and hedging activities.

No single customer accounted for 10% or greater of the Company's accounts receivable or revenues for the three months ended March 31, 2020 and 2019.

The Company defines adjusted EBITDA as income from operations excluding depreciation, amortization, accretion, stock-based compensation expense, restructuring charges, impairment charges, transaction costs and gain or loss on asset sales as presented below (in thousands):

	Three Months Ended March 31,	
	2020	2019
Adjusted EBITDA:		
Americas	$ 293,613	$ 307,838
EMEA	230,158	199,072
Asia-Pacific	160,439	153,245
Total adjusted EBITDA	684,210	660,155
Depreciation, amortization and accretion expense	(337,431)	(314,705)
Stock-based compensation expense	(80,566)	(49,023)
Impairment charges	—	(14,448)
Transaction costs	(11,530)	(2,471)
Loss on asset sales	(1,199)	—
Income from operations	$ 253,484	$ 279,508

The Company also provides the following additional segment disclosures (in thousands):

	Three Months Ended March 31, 2020	Three Months Ended March 31, 2019
Depreciation and amortization:		
Americas	$ 171,074	$ 166,770
EMEA	92,374	84,165
Asia-Pacific	72,421	62,243
Total	$ 335,869	$ 313,178
Capital expenditures:		
Americas	$ 184,401	$ 144,495
EMEA	122,128	164,355
Asia-Pacific	94,412	55,117
Total	$ 400,941	$ 363,967

The Company's long-lived assets, including property, plant and equipment, net and operating lease right-of-use assets, located in the following geographic areas as of (in thousands):

	March 31, 2020	December 31, 2019
Americas	$ 5,542,288	$ 5,400,287
EMEA	4,005,962	4,051,701
Asia-Pacific	2,628,794	2,700,609
Total Property, plant and equipment, net	$ 12,177,044	$ 12,152,597
Americas	$ 374,778	$ 387,598
EMEA	495,554	521,129
Asia-Pacific	544,379	566,640
Total Operating lease right-of-use assets	$ 1,414,711	$ 1,475,367

13. Subsequent Events

On April 15, 2020, the Company entered into a credit agreement which provides for senior unsecured 364-day term loan facilities in an aggregate principal amount of $750.0 million, comprised of $500.0 million available to be borrowed on the closing date (the "Closing Date Facility") and $250.0 million available to be borrowed on or prior to July 14, 2020 (the "Delayed Draw Facility"). On April 15, 2020, Equinix borrowed $391.0 million, as well as €100.0 million or $109.8 million at the exchange rate in effect on that date, under the Closing Date Facility. Borrowings under these term loan facilities must be repaid in full on or prior to April 14, 2021.

On April 18, 2020, the Company entered into an agreement to form a second joint venture in the form of a limited liability partnership with GIC to develop and operate xScale data centers in Asia-Pacific (the “Asia-Pacific Joint Venture”). Upon closing, GIC will contribute cash in exchange for an 80% partnership interest in the Asia-Pacific Joint Venture. The Company will contribute three development sites in Japan to the Asia-Pacific Joint Venture in exchange for a 20% partnership interest in the Asia-Pacific Joint Venture and cash proceeds. The completion of the Asia-Pacific Joint Venture is subject to closing conditions.

On May 6, 2020, the Company repaid a total of $250.0 million under the Revolving Facility, which was outstanding as of March 31, 2020. As a result, the amount available to the Company to borrow under the Revolving Facility was approximately $1.9 billion after the repayment.

On May 6, 2020, the Company declared a quarterly cash dividend of $2.66 per share, which is payable on June 17, 2020 to the Company's common stockholders of record as of the close of business on May 20, 2020.

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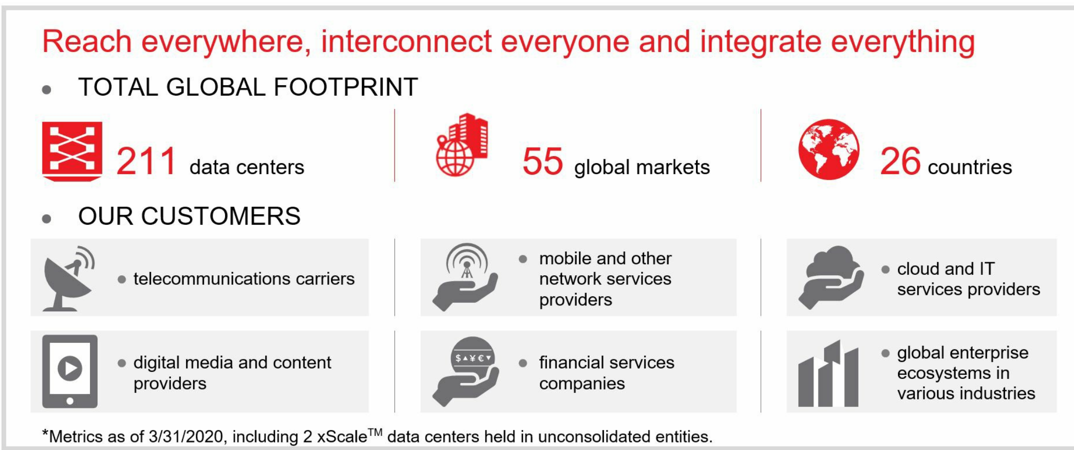
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The information in this discussion contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements are based upon current expectations that involve risks and uncertainties. Any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements. For example, the words "believes," "anticipates," "plans," "expects," "intends" and similar expressions are intended to identify forward-looking statements. Our actual results and the timing of certain events may differ significantly from the results discussed in the forward-looking statements. Factors that might cause such a discrepancy include, but are not limited to, those discussed in "Liquidity and Capital Resources" below and "Risk Factors" in Item 1A of Part II of this Quarterly Report on Form 10-Q. All forward-looking statements in this document are based on information available to us as of the date of this Report and we assume no obligation to update any such forward-looking statements.

Our management's discussion and analysis of financial condition and results of operations is intended to assist readers in understanding our financial information from our management's perspective and is presented as follows:

- Overview
- Results of Operations
- Non-GAAP Financial Measures
- Liquidity and Capital Resources
- Contractual Obligations and Off-Balance-Sheet Arrangements
- Critical Accounting Policies and Estimates
- Recent Accounting Pronouncements

Overview



*Metrics as of 3/31/2020, including 2 xScale™ data centers held in unconsolidated entities.

Equinix provides a global, vendor-neutral data center, interconnection and edge services platform with offerings that aim to enable our customers to reach everywhere, interconnect everyone and integrate everything. Global enterprises, service providers and business ecosystems of industry partners rely on Equinix IBX data centers and expertise around the world for the safe housing of their critical IT equipment and to protect and connect the world's most valued information assets. They also look to Platform Equinix® for the ability to directly and securely interconnect to the networks, clouds and content that enable today's information-driven global digital economy. Recent Equinix IBX data center openings and acquisitions, as well as xScale data center investments, have expanded our total global footprint to 211 IBX and xScale data centers across 55 markets around the world. Equinix offers the following solutions:

- premium data center colocation;
- interconnection and data exchange solutions;

- edge services for deploying networking, security and hardware; and
- remote expert support and professional services.

Our interconnected data centers around the world allow our customers to increase information and application delivery performance to users, and quickly access distributed IT infrastructures and business and digital ecosystems, while significantly reducing costs. The Equinix global platform and the quality of our IBX data centers, interconnection offerings and edge services have enabled us to establish a critical mass of customers. As more customers choose Platform Equinix, for bandwidth cost and performance reasons it benefits their suppliers and business partners to colocate in the same data centers. This adjacency creates a “network effect” that enables our customers to capture the full economic and performance benefits of our offerings. These partners, in turn, pull in their business partners, creating a "marketplace" for their services. Our global platform enables scalable, reliable and cost-effective interconnection that increases data traffic exchange while lowering overall cost and increasing flexibility. Our focused business model is built on our critical mass of enterprise and service provider customers and the resulting "marketplace" effect. This global platform, combined with our strong financial position, continues to drive new customer growth and bookings.

Historically, our market was served by large telecommunications carriers who have bundled their products and services with their colocation offerings. The data center market landscape has evolved to include private and vendor-neutral multitenant data center ("MTDC") providers, hyperscale cloud providers, managed infrastructure and application hosting providers, and systems integrators. It is estimated that Equinix is one of more than 1,200 companies that provide MTDC offerings around the world. Each of these data center solutions providers can bundle various colocation, interconnection and network offerings and outsourced IT infrastructure solutions. We are able to offer our customers a global platform that reaches 26 countries with the industry’s largest and most active ecosystem of partners in our sites, proven operational reliability, improved application performance and a highly scalable set of offerings.

The cabinet utilization rate represents the percentage of cabinet space billed versus total cabinet capacity, which is used to measure how efficiently we are managing our cabinet capacity. Our cabinet utilization rate varies from market to market among our IBX data centers across the Americas, EMEA and Asia-Pacific regions. Our cabinet utilization rates were approximately 79% and 80%, respectively, as of March 31, 2020 and 2019. Excluding the impact of our IBX data center expansion projects that have opened during the last 12 months, our cabinet utilization rate would have increased to approximately 81% as of March 31, 2020. We continue to monitor the available capacity in each of our selected markets. To the extent we have limited capacity available in a given market, it may limit our ability for growth in that market. We perform demand studies on an ongoing basis to determine if future expansion is warranted in a market. In addition, power and cooling requirements for most customers are growing on a per unit basis. As a result, customers are consuming an increasing amount of power per cabinet. Although we generally do not control the amount of power our customers draw from installed circuits, we have negotiated power consumption limitations with certain high power-demand customers. This increased power consumption has driven us to build out our new IBX data centers to support power and cooling needs twice that of previous IBX data centers. We could face power limitations in our IBX data centers, even though we may have additional physical cabinet capacity available within a specific IBX data center. This could have a negative impact on the available utilization capacity of a given IBX data center, which could have a negative impact on our ability to grow revenues, affecting our financial performance, operating results and cash flows.

In 2019, we closed our first joint venture with GIC to develop and operate xScale data centers to serve the needs of the growing hyperscale data center market in Europe, including large cloud service providers (the "EMEA Joint Venture"). In April 2020, we entered into an agreement to form a second joint venture with GIC to develop and operate xScale data centers in Asia-Pacific (the “Asia-Pacific Joint Venture”).

Strategically, we will continue to look at attractive opportunities to grow our market share and selectively improve our footprint and offerings. As was the case with our recent expansions and acquisitions, our expansion criteria will be dependent on a number of factors, including but not limited to demand from new and existing customers, quality of the design, power capacity, access to networks, clouds and software partners, capacity availability in the current market location, amount of incremental investment required by us in the targeted property, automation capabilities, developer talent pool, lead-time to break even on a free cash flow basis and in-place customers. Like our recent expansions and acquisitions, the right combination of these factors may be attractive to us. Depending on the circumstances, these transactions may require additional capital expenditures funded by upfront cash payments or through long-term financing arrangements in order to bring these properties up to Equinix standards. Property expansion may be in the form of purchases of real property, long-term leasing arrangements or acquisitions. Future purchases, construction or acquisitions may be completed by us or with partners or potential customers to minimize the outlay of cash, which can be significant.

Revenue:

90%

10%

RECURRING REVENUES

colocation and related interconnection and managed infrastructure offerings

- recurring revenues comprised > 90% of our total revenues during the past 3 years
- > 80% of our monthly recurring revenue bookings during the past 3 years came from existing customers, contributing to our revenue growth
- 3% of our recurring revenues over the last 3 years came from our largest customer
- 39% of our recurring revenue came from our 50 largest customers in Q1 2020

NON-RECURRING REVENUES

primarily installation services related to a customer's initial deployment and professional services we perform

Our business is based on a recurring revenue model comprised of colocation and related interconnection and managed infrastructure offerings. We consider these offerings recurring because our customers are generally billed on a fixed and recurring basis each month for the duration of their contract, which is generally one to three years in length. Our recurring revenues have comprised more than 90% of our total revenues during the past three years. In addition, during the past three years, more than 80% of our monthly recurring revenue bookings came from existing customers, contributing to our revenue growth. Our largest customer accounted for approximately 3% of our recurring revenues for both the three months ended March 31, 2020 and 2019. Our 50 largest customers accounted for approximately 39% of our recurring revenues for both the three months ended March 31, 2020 and 2019.

Our non-recurring revenues are primarily comprised of installation services related to a customer's initial deployment and professional services we perform. These services are considered to be non-recurring because they are billed typically once, upon completion of the installation or the professional services work performed. The majority of these non-recurring revenues are typically billed on the first invoice distributed to the customer in connection with their initial installation. However, revenues from installation services are deferred and recognized ratably over the period of the contract term. Additionally, revenue from contract settlements, when a customer wishes to terminate their contract early, is generally treated as a contract modification and recognized ratably over the remaining term of the contract, if any. As a percentage of total revenues, we expect non-recurring revenues to represent less than 10% of total revenues for the foreseeable future.

Operating Expenses:

Cost of Revenues. The largest components of our cost of revenues are depreciation, rental payments related to our leased IBX data centers, utility costs, including electricity, bandwidth access, IBX data center employees' salaries and benefits, including stock-based compensation, repairs and maintenance, supplies and equipment and security. A majority of our cost of revenues is fixed in nature and should not vary significantly from period to period, unless we expand our existing IBX data centers or open or acquire new IBX data centers. However, there are certain costs that are considered more variable in nature, including utilities and supplies that are directly related to growth in our existing and new customer base. We expect the cost of our utilities, specifically electricity, will generally increase in the future on a per-unit or fixed basis, in addition to the variable increase related to the growth in consumption by our customers. In addition, the cost of electricity is generally higher in the summer months, as compared to other times of the year. To the extent we incur increased utility costs, such increased costs could materially impact our financial condition, results of operations and cash flows. Furthermore, to the extent we incur increased electricity or other costs as a result of either climate change policies or the physical effects of climate change, such increased costs could materially impact our financial condition, results of operations and cash flows.

Sales and Marketing. Our sales and marketing expenses consist primarily of compensation and related costs for sales and marketing personnel, including stock-based compensation, amortization of contract costs, marketing programs, public relations, promotional materials and travel, as well as bad debt expense and amortization of customer relationship intangible assets.

General and Administrative. Our general and administrative expenses consist primarily of salaries and related expenses, including stock-based compensation, accounting, legal and other professional service fees, and other general corporate expenses, such as our corporate regional headquarters office leases and some depreciation expense on back office systems.

Taxation as a REIT

We elected to be taxed as a real estate investment trust for U.S. federal income tax purposes ("REIT") beginning with our 2015 taxable year. As of March 31, 2020, our REIT structure included all of our data center operations in the U.S., Canada, Japan, Singapore and the data center operations in EMEA with the exception of Bulgaria, the United Arab Emirates, and the data center operations outside Amsterdam in the Netherlands. Our data center operations in other jurisdictions are operated as taxable REIT subsidiaries ("TRSs"). We included our interest in the EMEA Joint Venture in our REIT structure.

As a REIT, we generally are permitted to deduct from our U.S. federal taxable income the dividends we pay to our stockholders. The income represented by such dividends is not subject to U.S. federal income taxes at the entity level but is taxed, if at all, at the stockholder level. Nevertheless, the income of our TRSs which hold our U.S. operations that may not be REIT compliant is subject to U.S. federal and state corporate income taxes, as applicable. Likewise, our foreign subsidiaries continue to be subject to local income taxes in jurisdictions in which they hold assets or conduct operations, regardless of whether held or conducted through TRSs or through qualified REIT subsidiaries ("QRSs"). We are also subject to a separate U.S. federal corporate income tax on any 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 held by us or a QRS following the liquidation or other conversion of a former TRS). This built-in-gains 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. If we fail to remain qualified for U.S. federal income taxation as a REIT, we will be subject to U.S. federal income taxes at regular corporate income tax rates. Even if we remain qualified for U.S. federal income taxation as a REIT, we may be subject to some federal, state, local and foreign taxes on our income and property in addition to taxes owed with respect to our TRSs' operations. In particular, while state income tax regimes often parallel the U.S. federal income tax regime for REITs, many states do not completely follow federal rules, and some may not follow them at all.

We continue to monitor our REIT compliance in order to maintain our qualification for U.S. federal income taxation as a REIT. For this and other reasons, as necessary, we may convert some of our data center operations in other countries into the REIT structure in future periods.

On March 18, 2020, we paid a quarterly cash dividend of $2.66 per share. On May 6, 2020, we declared a quarterly cash dividend of $2.66 per share, payable on June 17, 2020, to our common stockholders of record as of the close of business on May 20, 2020. We expect the amount of all of our 2020 quarterly distributions and other applicable distributions to equal or exceed our REIT taxable income to be recognized in 2020.

Coronavirus (COVID-19) Update

In December 2019, a novel strain of coronavirus, referred to as Coronavirus disease 2019, or COVID-19, emerged. On February 29, 2020, the WHO raised the COVID-19 threat from high to very high, and on March 11, 2020, the WHO characterized COVID-19 as a global pandemic. The global pandemic and the efforts implemented to address the pandemic, including the issuance of “shelter-in-place” orders and social distancing guidelines, have impacted major economic and financial markets.

In response to the crisis beginning in the first quarter 2020, we have activated our business continuity plans globally with the goal of providing seamless operations throughout our facilities, including provisions for ensuring all data centers remain staffed and fully operational and that our IBXs are equipped with the necessary equipment and supplies. Many of our IBX data centers have been identified as "essential businesses" or "critical infrastructure" by local governments for purposes of remaining open during the COVID-19 pandemic. All of our IBX data centers remain operational at the time of filing of this quarterly report on Form 10-Q. We have implemented precautionary measures to minimize the risk of operational impact and to protect the health and safety of our employees, customers, partners and communities. These include implementing tools such as an appointment-based system to control timing and frequency of visits while also encouraging our customers to leverage our IBX technicians via Smart Hands, our remote operational support service, in order to restrict visits and minimize the number of people and the amount of time spent in our IBX facilities. As a result, in certain circumstances, we are providing free Smart Hands services to the affected customers for a period of time. We have temporarily closed all of our corporate offices and instructed our non-IBX employees across the globe to work from home.

During the three months ended March 31, 2020, the COVID-19 pandemic did not have a material impact on our results of operations. The majority of our revenue is derived from large companies across a diverse set of industries. Although any potential delays in customers' payments could result in a negative impact on our liquidity and revenue in the future, customers that we have identified as operating in sectors more drastically impacted by the COVID-19 pandemic, such as retail, travel, and energy, accounted for less than 3% of our revenue for the quarter ended March 31, 2020. We assessed the realized and potential credit deterioration of our customers due to changes in the macroeconomic environment, considered the potential for payment term revision requests, and modestly increased our allowance for doubtful accounts for accounts receivable.

We are experiencing some construction delays due to governmental action related to the COVID-19 pandemic. To date, the construction delays and related added cost are insignificant relative to the overall project duration and budget. All equipment orders for construction projects which are scheduled to be placed in service in 2020, are ordered, and in manufacturing or delivered. We are actively monitoring our vendors and suppliers to evaluate any anticipated changes in equipment availability or delivery timetables. We have redundancies built into our supply chain of vendors and to the best of our ability, we keep stock of critical items on site to ensure repairs can be completed. At this time, we haven’t observed any significant disruption to our IBX data center operations due to supply chain.

We incurred one-time cash bonuses and compensation expense of $8.6 million for our IBX employees and other employees to support their work-from-home requirements in March 2020.

Looking ahead, the full impact of the COVID-19 pandemic on our financial condition or results of operations remains uncertain and will depend on a number of factors, including its impact on our customers, partners and vendors and the impact on, and functioning of, the global financial markets. Our past results may not be indicative of our future performance and historical trends may differ materially.

See Part II, Item 1A. Risk Factors for additional information regarding potential risks to our business, financial condition and operating results related to the COVID-19 pandemic.

2020 Highlights:

- In January, we redeemed the remaining $343.7 million principal amount of the 5.375% Senior Notes due 2022. See Note 9 within the Condensed Consolidated Financial Statements.
- In January, we completed the acquisition of three data centers in Mexico from Axtel S.A.B. de C.V. (“Axtel”) for a total purchase consideration of approximately $189.0 million. See Note 4 within the Condensed Consolidated Financial Statements.
- In March, we completed the acquisition of Packet Host, Inc. (“Packet”), a leading bare metal automation platform for a total cash purchase price of approximately $290.3 million. See Note 4 within the Condensed Consolidated Financial Statements.
- In March 2020, we borrowed a total of $250.0 million under our Revolving Facility. As of March 31, 2020, we had an additional $1.7 billion available for borrowing under our Revolving Facility. In May, we repaid the $250.0 million outstanding under our Revolving Facility. As a result, the amount available to borrow under the Revolving Facility was approximately $1.9 billion after the repayment. See Note 9 and Note 13 within the Condensed Consolidated Financial Statements.
- During the three months ended March 31, 2020, we sold 162,530 shares of common stock for approximately $101.8 million in proceeds, net of payment of commissions to the sales agents, under our ATM program. See Note 11 within the Condensed Consolidated Financial Statements.
- In April, we entered into a credit agreement which provides for senior unsecured 364-day term loan facilities in an aggregate principal amount of $750.0 million. On April 15, 2020, we borrowed $391.0 million, as well as €100.0 million or $109.8 million at the exchange rate in effect on that date. See Note 13 within the Condensed Consolidated Financial Statements.
- In April, we entered into an agreement to form a second joint venture in the form of a limited liability partnership with GIC to develop and operate xScale data centers in Asia-Pacific (the “Asia-Pacific Joint Venture”). See Note 13 within the Condensed Consolidated Financial Statements.

Results of Operations

Our results of operations for the three months ended March 31, 2020 include the results of operations from the acquisitions of Packet Host, Inc. from March 2, 2020 and three data centers in Mexico from Axtel S.A.B. de C.V. from January 8, 2020.

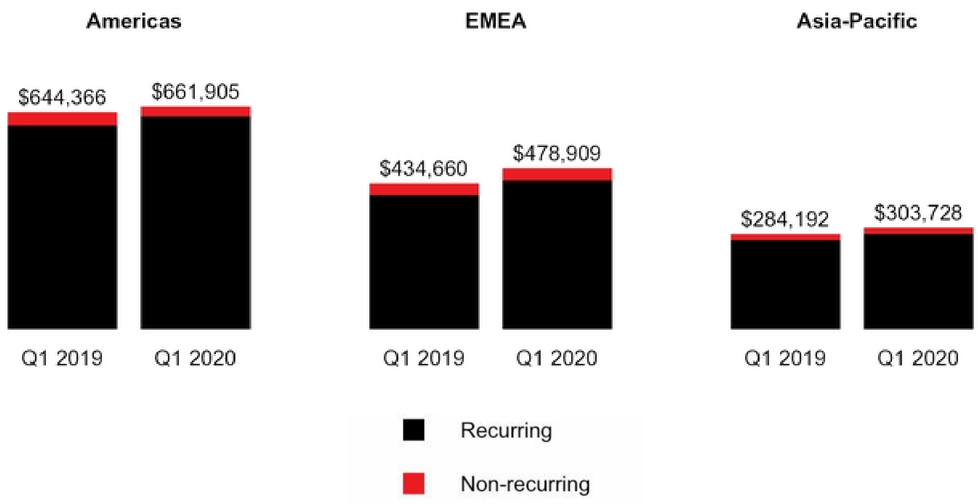
In order to provide a framework for assessing our performance excluding the impact of foreign currency fluctuations, we supplement the year-over-year actual change in operating results with comparative changes on a constant currency basis. Presenting constant currency results of operations is a non-GAAP financial measure. See “Non-GAAP Financial Measures” below for further discussion.

Three Months Ended March 31, 2020 and 2019

Revenues. Our revenues for the three months ended March 31, 2020 and 2019 were generated from the following revenue classifications and geographic regions (dollars in thousands):

	Three Months Ended March 31,				% Change	
	2020	%	2019	%	Actual	Constant Currency
Americas:						
Recurring revenues	$ 632,632	44%	$ 606,310	44%	4 %	6 %
Non-recurring revenues	29,273	2%	38,056	3%	(23)%	(22)%
	661,905	46%	644,366	47%	3 %	4 %
EMEA:						
Recurring revenues	443,474	31%	400,237	29%	11 %	11 %
Non-recurring revenues	35,435	2%	34,423	3%	3 %	6 %
	478,909	33%	434,660	32%	10 %	11 %
Asia-Pacific:						
Recurring revenues	285,588	20%	268,281	20%	6 %	8 %
Non-recurring revenues	18,140	1%	15,911	1%	14 %	17 %
	303,728	21%	284,192	21%	7 %	9 %
Total:						
Recurring revenues	1,361,694	95%	1,274,828	93%	7 %	8 %
Non-recurring revenues	82,848	5%	88,390	7%	(6)%	(4)%
	$ 1,444,542	100%	$ 1,363,218	100%	6 %	7 %

Revenues
(dollars in thousands)



Americas Revenues. During the three months ended March 31, 2020 , Americas revenue increased by 3% (4% on a constant currency basis). Growth in Americas revenues was primarily due to:

- approximately $8.1 million of incremental revenues from the Packet and Axtel acquisitions;
- $7.0 million of incremental revenues generated from our recently-opened IBX data centers or IBX data center expansions; and
- an increase in orders from both our existing customers and new customers during the period.

This increase was partially offset by:

- $8.8 million of lower non-recurring revenues, primarily due to a decrease in equipment resale activities.

EMEA Revenues. During the three months ended March 31, 2020 , EMEA revenue increased by 10% (11% on a constant currency basis). Growth in EMEA revenues was primarily due to:

- approximately $22.7 million of incremental revenues generated from our recently-opened IBX data centers or IBX data center expansions;
- an increase in orders from both our existing customers and new customers during the period; and
- a net increase of $10.8 million of realized cash flow hedge gains from foreign currency forward contracts.

Asia-Pacific Revenues. During the three months ended March 31, 2020 , Asia-Pacific revenue increased by 7% (9% on a constant currency basis). Growth in Asia-Pacific revenue was primarily due to:

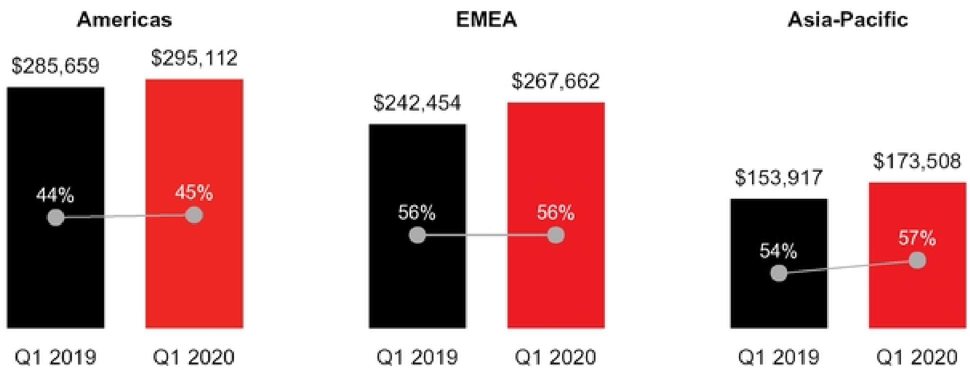
- approximately $7.9 million of incremental revenues generated from our recently-opened IBX data centers or IBX data center expansions; and
- an increase in orders from both our existing customers and new customers during the period.

Cost of Revenues. Our cost of revenues for the three months ended March 31, 2020 and 2019 were split among the following geographic regions (dollars in thousands):

	Three Months Ended March 31,				% Change	
	2020	%	2019	%	Actual	Constant Currency
Americas	$ 295,112	40%	$ 285,659	42%	3%	5%
EMEA	267,662	36%	242,454	35%	10%	11%
Asia-Pacific	173,508	24%	153,917	23%	13%	15%
Total	$ 736,282	100%	$ 682,030	100%	8%	9%

Cost of Revenues

(dollars in thousands; percentages indicate expenses as a percentage of revenues)



Americas Cost of Revenues. During the three months ended March 31, 2020 , Americas cost of revenues increased by 3% (5% on a constant currency basis). The increase in our Americas cost of revenues was primarily due to:

- approximately $8.5 million of incremental cost of revenues from the Packet and Axtel acquisitions; and
- $6.1 million of higher compensation costs, including salaries, bonuses and stock-based compensation, primarily due to headcount growth and additional bonuses paid to IBX employees for supporting our business during the COVID-19 pandemic.

This increase was partially offset by:

- $5.2 million of lower costs from decreased equipment resale activities, primarily in the U.S.

EMEA Cost of Revenues. During the three months ended March 31, 2020 , EMEA cost of revenues increased by 10% (11% on a constant currency basis). The increase in our EMEA cost of revenues was primarily due to:

- $10.8 million of higher depreciation expenses driven by IBX data center expansions in London and Frankfurt;
- $6.6 million of higher compensation costs, including salaries, bonuses and stock-based compensation, primarily due to headcount growth and additional bonuses to IBX employees for supporting our business during the COVID-19 pandemic;
- $6.0 million of higher utilities costs driven by increased utility usage to support IBX data center expansions and utility price increases, primarily in Germany, France and the Netherlands;
- a net increase of $4.2 million of realized cash flow hedge losses from foreign currency forward contracts; and
- $3.9 million of higher rent and facilities costs and repairs and maintenance expense.

This increase was partially offset by:

- $6.9 million of lower costs from decreased equipment resale activities, primarily in Germany and Sweden.

Asia-Pacific Cost of Revenues. During the three months ended March 31, 2020 , Asia-Pacific cost of revenues increased by 13% (15% on a constant currency basis). The increase in our Asia-Pacific cost of revenues was primarily due to:

- $10.5 million of higher depreciation expense, primarily from IBX data center expansions in Singapore, Japan, and Australia;
- $3.8 million of higher utilities costs and rent and facility costs, primarily driven by expansions and higher utility usage in Hong Kong and Singapore; and
- $3.3 million of higher compensation costs, including salaries, bonuses and stock-based compensation, primarily due to headcount growth and additional bonuses to IBX employees for supporting our business during the COVID-19 pandemic.

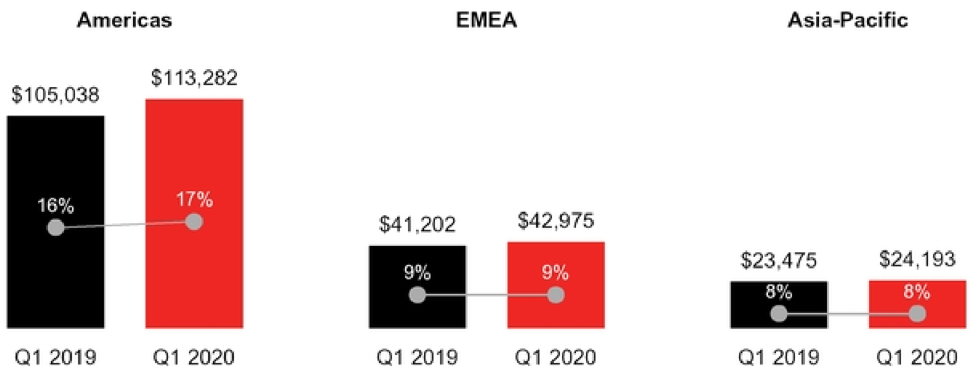
We expect Americas, EMEA and Asia-Pacific cost of revenues to increase as we continue to grow our business, including from the impact of acquisitions.

Sales and Marketing Expenses. Our sales and marketing expenses for the three months ended March 31, 2020 and 2019 were split among the following geographic regions (dollars in thousands):

	Three Months Ended March 31,				% Change	
	2020	%	2019	%	Actual	Constant Currency
Americas	$ 113,282	63%	$ 105,038	62%	8%	9%
EMEA	42,975	24%	41,202	24%	4%	6%
Asia-Pacific	24,193	13%	23,475	14%	3%	5%
Total	$ 180,450	100%	$ 169,715	100%	6%	7%

Sales and Marketing Expenses

(dollars in thousands; percentages indicate expenses as a percentage of revenues)



Americas Sales and Marketing Expenses. During the three months ended March 31, 2020 , Americas sales and marketing expenses increased by 8% (9% on a constant currency basis). The increase in our Americas sales and marketing expenses was primarily due to:

- $6.7 million of higher compensation costs, including sales compensation, salaries and stock-based compensation, primarily due to additional stock-based compensation expenses incurred related to the Packet acquisition and headcount growth; and
- $3.4 million of higher advertising and promotions expenses.

This increase was partially offset by:

- $1.0 million of lower travel and entertainment expenses.

EMEA Sales and Marketing Expenses. Our EMEA sales and marketing expense did not materially change during the three months ended March 31, 2020 as compared to the three months ended March 31, 2019 .

Asia-Pacific Sales and Marketing Expenses. Our Asia-Pacific sales and marketing expense did not materially change during the three months ended March 31, 2020 as compared to the three months ended March 31, 2019 .

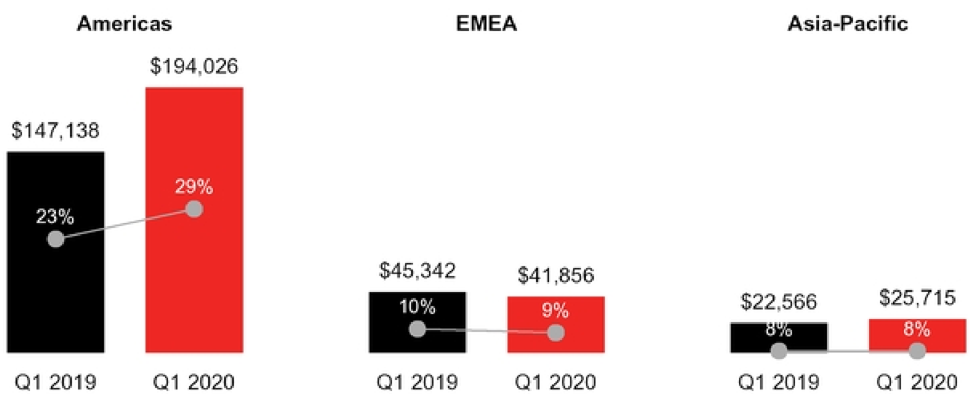
We anticipate that we will continue to invest in Americas, EMEA and Asia-Pacific sales and marketing initiatives and expect our Americas, EMEA and Asia-Pacific sales and marketing expenses to increase as we grow our business. Additionally, given that certain global sales and marketing functions are located within the U.S., we expect Americas sales and marketing expenses as a percentage of revenues to be higher than our other regions.

General and Administrative Expenses. Our general and administrative expenses for the three months ended March 31, 2020 and 2019 were split among the following geographic regions (dollars in thousands):

	Three Months Ended March 31,				% Change	
	2020	**%**	**2019**	**%**	**Actual**	**Constant Currency**
Americas	$ 194,026	74%	$ 147,138	69%	32 %	33 %
EMEA	41,856	16%	45,342	21%	(8)%	(9)%
Asia-Pacific	25,715	10%	22,566	10%	14 %	16 %
Total	$ 261,597	100%	$ 215,046	100%	22 %	22 %

General and Administrative Expenses

(dollars in thousands; percentages indicate expenses as a percentage of revenues)



Americas General and Administrative Expenses. During the three months ended March 31, 2020 , Americas general and administrative expenses increased by 32% (33% on a constant currency basis). The increase in our Americas general and administrative expenses was primarily due to:

- $29.2 million of higher compensation costs, including salaries, bonuses and stock-based compensation, primarily due to additional stock-based compensation expense incurred related to the Packet acquisition, higher payroll taxes, higher corporate bonus payment and overall headcount growth;
- $6.1 million of higher consulting expenses in support of our business growth;
- $4.5 million of higher office expenses due to additional software and support services; and
- $3.6 million of higher depreciation expense associated with the implementation of certain systems to support the integration and growth of our business.

EMEA General and Administrative Expenses. During the three months ended March 31, 2020 , EMEA general and administrative expenses decreased by 8% (9% on a constant currency basis). The decrease in our EMEA general and administrative expenses was primarily due to:

- a net decrease of $6.4 million in other operating expenses due to the favorable determination of a legal claim.

This decrease was partially offset by:

- $2.1 million of higher compensation costs, including salaries, bonuses and stock-based compensation, primarily due to headcount growth.

Asia-Pacific General and Administrative Expenses. During the three months ended March 31, 2020 , Asia-Pacific general and administrative expenses increased by 14% (16% on a constant currency basis). The increase in our Asia-Pacific general and administrative expense was primarily due to:

- $2.7 million of higher compensation costs, including salaries, bonuses and stock-based compensation, primarily due to headcount growth.

Going forward, although we are carefully monitoring our spending, we expect Americas, EMEA and Asia-Pacific general and administrative expenses to increase as we continue to further scale our operations to support our growth, including investments in our back office systems and investments to maintain our qualification for taxation as a REIT and to integrate recent acquisitions. Additionally, given that our corporate headquarters is located within the U.S., we expect Americas general and administrative expenses as a percentage of revenues to be higher than our other regions.

Transaction Costs. During the three months ended March 31, 2020 , we recorded transaction costs of $11.5 million, primarily related to costs incurred in connection with the Packet and Axtel acquisitions. During the three months ended March 31, 2019 , we did not record a significant amount of transaction costs.

Impairment Charge. During the three months ended March 31, 2020 , we did not record any impairment charges. During the three months ended March 31, 2019, we recorded impairment charges of $14.4 million in the Americas region as a result of the fair value adjustment for the New York 12 data center, which was classified as a held for sale asset as of March 31, 2019.

Loss on Asset Sales. During the three months ended March 31, 2020 , we did not record a significant amount of loss on asset sales. During the three months ended March 31, 2019, we did not record any gain or loss on asset sales.

Income from Operations. Our income from operations for the three months ended March 31, 2020 and 2019 was split among the following geographic regions (dollars in thousands):

	Three Months Ended March 31,				% Change	
	2020	%	2019	%	Actual	Constant Currency
Americas	$ 47,308	19%	$ 90,011	32%	(47)%	(46)%
EMEA	126,004	50%	105,007	38%	20 %	19 %
Asia-Pacific	80,172	31%	84,490	30%	(5)%	(3)%
Total	$ 253,484	100%	$ 279,508	100%	(9)%	(9)%

Americas Income from Operations. During the three months ended March 31, 2020 , Americas income from operations decreased by 47% (46% on a constant currency basis). The decrease in our Americas income from operations was primarily due to higher operating expenses as a percentage of revenues. Namely, a large increase in general and administrative expenses was primarily driven by higher compensation costs and consulting expenses, which were in part related to the Packet and Axtel acquisitions, along with higher office expenses and depreciation expense.

EMEA Income from Operations. During the three months ended March 31, 2020 , EMEA income from operations increased by 20% (19% on a constant currency basis). The increase in our EMEA income from operations was primarily due to higher revenues as a result of our IBX data center expansion activity and organic growth, as described above, as well as lower general and administrative expenses as a percentage of revenues.

Asia-Pacific Income from Operations. During the three months ended March 31, 2020 , Asia-Pacific income from operations decreased by 5% (3% on a constant currency basis). The decrease in our Asia-Pacific income from operations was primarily due to higher cost of revenues as a percentage of revenue, primarily due to an increase in depreciation expense, rent and facility costs, and utilities costs due to IBX expansion activity.

Interest Income. Interest income was $4.3 million and $4.2 million, respectively, for the three months ended March 31, 2020 and 2019. The average annualized yield for the three months ended March 31, 2020 was 1.11% versus 1.49% for the three months ended March 31, 2019 .

Interest Expense. Interest expense decreased to $107.3 million for the three months ended March 31, 2020 from $122.8 million for the three months ended March 31, 2019, primarily attributable to the tender and redemption of the 5.375% Senior Notes due 2022, 5.375% Senior Notes due 2023, and 5.750% Senior Notes due 2025, partially offset by the issuance of the 2.625% Senior Notes due 2024, 2.900% Senior Notes due 2026 and 3.200% Senior Notes due 2029. During the three months ended March 31, 2020 and 2019, we capitalized $6.0 million and $9.9 million, respectively, of interest expense to construction in progress.

Other Income (Expense). We recorded net other income of $5.2 million and net other expense of $0.2 million, respectively, for the three months ended March 31, 2020 and 2019. Other income is primarily comprised of foreign currency exchange gains and losses during the periods.

Loss on Debt Extinguishment. We recorded loss on debt extinguishment of $6.4 million during the three months ended March 31, 2020 , primarily due to the redemption of the remaining balance of the 5.375% Senior Notes due 2022. We did not record a significant amount of loss on debt extinguishment during the three months ended March 31, 2019 .

Income Taxes. We operate as a REIT for U.S. federal income tax purposes. As a REIT, we are generally not subject to U.S. federal and state income taxes on our taxable income distributed to stockholders. We intend to distribute or have distributed the entire taxable income generated by the operations of our REIT and QRSs for the tax year ended December 31, 2020 and the tax year ended December 31, 2019, respectively. As such, other than built-in-gains recognized and foreign withholding taxes, as applicable, no provision for U.S. federal income taxes for the REIT and QRSs has been included in the accompanying condensed consolidated financial statements for the three months ended March 31, 2020 and 2019.

We have made TRS elections for some of our subsidiaries in and outside the U.S. In general, a TRS may provide services that may otherwise be considered impermissible for REITs to provide and may hold assets that may not be REIT compliant. U.S. income taxes for the TRS entities located in the U.S. and foreign income taxes for our foreign operations regardless of whether the foreign operations are operated as QRSs or TRSs have been accrued, as necessary, for the three months ended March 31, 2020 and 2019.

For the three months ended March 31, 2020 and 2019, we recorded $30.2 million and $42.6 million of income tax expense, respectively. Our effective tax rates were 20.2% and 26.6% for the three months ended March 31, 2020 and 2019, respectively.

Adjusted EBITDA. Adjusted EBITDA is a key factor in how we assess the operating performance of our segments and develop regional growth strategies such as IBX data center expansion decisions. We define adjusted EBITDA as income or loss from operations excluding depreciation, amortization, accretion, stock-based compensation expense, restructuring charges, impairment charges, transaction costs and gain or loss on asset sales. See "Non-GAAP Financial Measures" below for more information about adjusted EBITDA and a reconciliation of adjusted EBITDA to income or loss from operations. Our adjusted EBITDA for the three months ended March 31, 2020 and 2019 was split among the following geographic regions (dollars in thousands):

	Three Months Ended March 31,				% Change	
	2020	**%**	**2019**	**%**	**Actual**	**Constant Currency**
Americas	$ 293,613	43%	$ 307,838	47%	(5)%	(4)%
EMEA	230,158	34%	199,072	30%	16 %	16 %
Asia-Pacific	160,439	23%	153,245	23%	5 %	7 %
Total	$ 684,210	100%	$ 660,155	100%	4 %	5 %

Americas Adjusted EBITDA. During the three months ended March 31, 2020 , Americas adjusted EBITDA decreased by 5% (4% on a constant currency basis). The decrease in our Americas adjusted EBITDA was primarily due to the increase in cash compensation expenses, consulting expenses and office expenses.

EMEA Adjusted EBITDA. During the three months ended March 31, 2020 , EMEA adjusted EBITDA increased by 16% (and also 16% on a constant currency basis). The increase in our EMEA adjusted EBITDA was primarily due to higher revenues as a result of our IBX data center expansion activity and organic growth, as described above, as well as a decrease in general and administrative expense.

Asia-Pacific Adjusted EBITDA. During the three months ended March 31, 2020 , Asia-Pacific adjusted EBITDA increased by 5% (7% on a constant currency basis). The increase in our Asia-Pacific adjusted EBITDA was primarily due to higher revenues as a result of our IBX data center expansion activity and organic growth as described above.

Non-GAAP Financial Measures

We provide all information required in accordance with GAAP, but we believe that evaluating our ongoing operating results may be difficult if limited to reviewing only GAAP financial measures. Accordingly, we use non-GAAP financial measures to evaluate our operations.

Non-GAAP financial measures are not a substitute for financial information prepared in accordance with GAAP. Non-GAAP financial measures should not be considered in isolation, but should be considered together with the most directly comparable GAAP financial measures and the reconciliation of the non-GAAP financial measures to the most directly comparable GAAP financial measures. We have presented such non-GAAP financial measures to provide investors with an additional tool to evaluate our operating results in a manner that focuses on what management believes to be our core, ongoing business operations. We believe that the inclusion of these non-GAAP financial measures provides consistency and comparability with past reports and provides a better understanding of the overall performance of the business and ability to perform in subsequent periods. We believe that if we did not provide such non-GAAP financial information, investors would not have all the necessary data to analyze Equinix effectively.

Investors should note that the non-GAAP financial measures used by us may not be the same non-GAAP financial measures, and may not be calculated in the same manner, as those of other companies. Investors should therefore exercise caution when comparing non-GAAP financial measures used by us to similarly titled non-GAAP financial measures of other companies.

Our primary non-GAAP financial measures, adjusted EBITDA and adjusted funds from operations ("AFFO"), exclude depreciation expense as these charges primarily relate to the initial construction costs of our IBX data centers and do not reflect our current or future cash spending levels to support our business. Our IBX data centers are long-lived assets and have an economic life greater than 10 years. The construction costs of an IBX data center do not recur with respect to such data center, although we may incur initial construction costs in future periods with respect to additional IBX data centers, and future capital expenditures remain minor relative to our initial investment. This is a trend we expect to continue. In addition, depreciation is also based on the estimated useful lives of our IBX data centers. These estimates could vary from actual performance of the asset, are based on historical costs incurred to build out our IBX data centers and are not indicative of current or expected future capital expenditures. Therefore, we exclude depreciation from our operating results when evaluating our operations.

In addition, in presenting adjusted EBITDA and AFFO, we exclude amortization expense related to acquired intangible assets. Amortization expense is significantly affected by the timing and magnitude of our acquisitions and these charges may vary in amount from period to period. We exclude amortization expense to facilitate a more meaningful evaluation of our current operating performance and comparisons to our prior periods. We exclude accretion expense, both as it relates to asset retirement obligations as well as accrued restructuring charge liabilities, as these expenses represent costs which we believe are not meaningful in evaluating our current operations. We exclude stock-based compensation expense, as it can vary significantly from period to period based on share price, the timing, size and nature of equity awards. As such, we, and many investors and analysts, exclude stock-based compensation expense to compare our operating results with those of other companies. We also exclude restructuring charges. The restructuring charges relate to our decisions to exit leases for excess space adjacent to several of our IBX data centers, which we did not intend to build out, or our decision to reverse such restructuring charges. We also exclude impairment charges related to certain long-lived assets. The impairment charges are related to expense recognized whenever events or changes in circumstances indicate that the carrying amount of long-lived assets are not recoverable. We also exclude gain or loss on asset sales as it represents profit or loss that is not meaningful in evaluating the current or future operating performance. Finally, we exclude transaction costs from AFFO and adjusted EBITDA to allow more comparable comparisons of our financial results to our historical operations. The transaction costs relate to costs we incur in connection with business combinations and the formation of joint ventures, including advisory, legal, accounting, valuation, and other professional or consulting fees. Such charges generally are not relevant to assessing the long-term performance of the company. In addition, the frequency and amount of such charges vary significantly based on the size and timing of the transactions. Management believes items such as restructuring charges, impairment charges, gain or loss on asset sales and transaction costs are non-core transactions; however, these types of costs may occur in future periods.

Adjusted EBITDA

We define adjusted EBITDA as income from operations excluding depreciation, amortization, accretion, stock-based compensation expense, restructuring charges, impairment charges, transaction costs, and gain or loss on asset sales as presented below (in thousands):

	Three Months Ended March 31,	
	2020	**2019**
Income from operations	$ 253,484	$ 279,508
Depreciation, amortization, and accretion expense	337,431	314,705
Stock-based compensation expense	80,566	49,023
Transaction costs	11,530	2,471
Impairment charges	—	14,448
Loss on asset sales	1,199	—
Adjusted EBITDA	$ 684,210	$ 660,155

Our adjusted EBITDA results have improved each year in total dollars due to the improved operating results discussed earlier in "Results of Operations", as well as the nature of our business model consisting of a recurring revenue stream and a cost structure which has a large base that is fixed in nature also discussed earlier in "Overview".

Funds from Operations ("FFO") and AFFO

We use FFO and AFFO, which are non-GAAP financial measures commonly used in the REIT industry. FFO is calculated in accordance with the standards established by the National Association of Real Estate Investment Trusts. FFO represents net income (loss), excluding gain (loss) from the disposition of real estate assets, depreciation and amortization on real estate assets and adjustments for unconsolidated joint ventures' and non-controlling interests' share of these items.

In presenting AFFO, we exclude certain items that we believe are not good indicators of our current or future operating performance. AFFO represents FFO excluding depreciation and amortization expense on non-real estate assets, accretion, stock-based compensation, restructuring charges, impairment charges, transaction costs, an installation revenue adjustment, a straight-line rent expense adjustment, a contract cost adjustment, amortization of deferred financing costs and debt discounts and premiums, gain (loss) on debt extinguishment, an income tax expense adjustment, recurring capital expenditures, net income (loss) from discontinued operations, net of tax, and adjustments from FFO to AFFO for unconsolidated joint ventures' and noncontrolling interests' share of these items. The adjustments for installation revenue, straight-line rent expense and contract costs are intended to isolate the cash activity included within the straight-lined or amortized results in the consolidated statement of operations. We exclude the amortization of deferred financing costs and debt discounts and premiums as these expenses relate to the initial costs incurred in connection with debt financings that have no current or future cash obligations. We exclude gain (loss) on debt extinguishment since it generally represents the write-off of initial costs incurred in connection with debt financings or a cost that is incurred to reduce future interest costs and is not a good indicator of our current or future operating performance. We include an income tax expense adjustment, which represents the non-cash tax impact due to changes in valuation allowances, uncertain tax positions and deferred taxes that do not relate to current period's operations. We deduct recurring capital expenditures, which represent expenditures to extend the useful life of its IBX data centers or other assets that are required to support current revenues. We also exclude net income (loss) from discontinued operations, net of tax, which represents results that may not recur and are not a good indicator of our current future operating performance.

Our FFO and AFFO were as follows (in thousands):

	Three Months Ended March 31,	
	2020	2019
Net income	$ 118,957	$ 117,747
Net (income) loss attributable to non-controlling interests	(165)	331
Net income attributable to Equinix	118,792	118,078
Adjustments:		
Real estate depreciation	221,787	205,649
Loss on disposition of real estate property	2,506	2,346
Adjustments for FFO from unconsolidated joint ventures	669	—
FFO attributable to common shareholders	$ 343,754	$ 326,073

	Three Months Ended March 31,	
	2020	2019
FFO attributable to common shareholders	$ 343,754	$ 326,073
Adjustments:		
Installation revenue adjustment	(3,481)	1,029
Straight-line rent expense adjustment	1,806	2,378
Contract cost adjustment	(10,434)	(6,778)
Amortization of deferred financing costs and debt discounts and premiums	3,460	2,995
Stock-based compensation expense	80,566	49,023
Non-real estate depreciation expense	65,591	57,994
Amortization expense	48,491	49,535
Accretion expense	1,562	1,527
Recurring capital expenditures	(17,868)	(20,947)
Loss on debt extinguishment	6,441	382
Transaction costs	11,530	2,471
Impairment charges	—	14,448
Income tax expense adjustment	2,833	7,990
Adjustments for AFFO from unconsolidated joint ventures	454	—
AFFO attributable to common shareholders	$ 534,705	$ 488,120

Our AFFO results have improved due to the improved operating results discussed earlier in "Results of Operations," as well as due to the nature of our business model which consists of a recurring revenue stream and a cost structure which has a large base that is fixed in nature as discussed earlier in "Overview."

Constant Currency Presentation

Our revenues and certain operating expenses (cost of revenues, sales and marketing and general and administrative expenses) from our international operations have represented and will continue to represent a significant portion of our total revenues and certain operating expenses. As a result, our revenues and certain operating expenses have been and will continue to be affected by changes in the U.S. dollar against major international currencies. During the three months ended March 31, 2020 as compared to the same period in 2019, the U.S. dollar was stronger relative to the Brazilian real, Euro, British Pound, Singapore dollar and Australian dollar, which resulted in an unfavorable foreign currency impact on revenue, operating income and adjusted EBITDA, and a favorable foreign currency impact on operating expenses. In order to provide a framework for assessing how each of our business segments performed excluding the impact of foreign currency fluctuations, we present period-over-period percentage changes in our revenues and certain operating expenses on a constant currency basis in addition to the historical amounts as reported. Our constant currency presentation excludes the impact of our foreign currency cash flow hedging activities. Presenting constant currency results of operations is a non-GAAP financial measure and is not meant to be considered in isolation or as an alternative to GAAP results of operations. However, we have presented this non-GAAP financial measure to provide investors with an additional tool to evaluate our operating results. To present this information, our current period revenues and certain operating expenses from entities reporting in currencies other than the U.S. dollar are converted into U.S. dollars at constant exchange rates rather than the actual exchange rates in effect during the respective periods (i.e. average rates in effect for the three months ended March 31, 2019 are used as exchange rates for the three months ended March 31, 2020 when comparing the three months ended March 31, 2020 with the three months ended March 31, 2019).

Liquidity and Capital Resources

As of March 31, 2020, our total indebtedness was comprised of debt and financing obligations totaling $11.8 billion consisting of:

- $8,626.1 million of principal from our senior notes;
- Approximately $1,579.2 million from our finance lease liabilities; and
- $1,548.0 million of principal from our mortgage and loans payable, including borrowings under our revolving credit facility (gross of debt issuance cost, debt discount, plus mortgage premium).

During the three months ended March 31, 2020, we completed the following significant financing activities:

- Issued and sold 162,530 shares of common stock under our ATM Program, for proceeds of approximately $101.8 million, net of payment of commissions and other offering expenses;
- Borrowed $250.0 million under our revolving credit facility; and
- Redeemed the remaining $343.7 million principal amount of our 5.375% Senior Notes due 2022.

As of March 31, 2020, we had $1,197.2 million of cash, cash equivalents and short-term investments. We increased our borrowing under the revolving credit facility to preserve our financial flexibility and to strengthen our cash position in light of the current disruption and uncertainty in the global markets resulting from the outbreak of the COVID-19 pandemic. In addition to our cash and investment portfolio, we had approximately $1.7 billion of additional liquidity available to us from our $2.0 billion revolving facility, $197.5 million of shares of our common stock available for sale under our ATM Program and general access to both public and private debt and equity capital markets. On April 15, 2020, we also entered into a credit agreement that provides for senior unsecured 364-day term loan facilities in an aggregate principal amount of $750.0 million. On April 15, 2020, we borrowed $391.0 million, as well as €100.0 million or $109.8 million at the exchange rate in effect on that date, under these facilities. On May 6, 2020, we repaid a total of $250.0 million under our Revolving Facility. As a result, the amount available to borrow under the Revolving Facility was approximately $1.9 billion after the repayment.

Customer collections are our primary source of cash, in addition to any further financing activity we may pursue. While we believe we have a strong customer base, and have continued to experience relatively strong collections, if the current market conditions were to deteriorate, some of our customers may have difficulty paying us and we may experience increased churn in our customer base, including reductions in their commitments to us, all of which could have a material adverse effect on our liquidity. Additionally, we may pursue additional expansion opportunities, primarily the build out of new IBX data centers, in certain of our existing markets which are at or near capacity within the next year, as well as potential acquisitions and joint ventures.

We believe we have sufficient cash, coupled with anticipated cash generated from operating activities and external financing sources, to meet our operating requirements, including repayment of the current portion of our debt as it becomes due, distribution of dividends and completion of our publicly-announced expansion projects. However, we may elect to access the equity or debt markets from time to time opportunistically, particularly if financing is available on attractive terms.

As the impact of the COVID-19 pandemic continues to evolve and if the current market conditions were to deteriorate further, some of our customers may have difficulty paying us which will adversely affect our liquidity. In addition, we may be unable to secure additional financing or any such additional financing may only be available to us on unfavorable terms. We will continue to evaluate our financial position in light of future developments, particularly those relating to the COVID-19 pandemic.

Sources and Uses of Cash

	Three Months Ended March 31,	
	2020	2019
	(dollars in thousands)	
Net cash provided by operating activities	$ 516,830	$ 421,141
Net cash used in investing activities	(954,541)	(378,467)
Net cash provided by (used in) financing activities	(237,104)	986,932

Operating Activities

Cash provided by our operations is generated by colocation, interconnection, managed infrastructure and other revenues. Our primary use of cash from our operating activities includes compensation and related costs, interest payments, other general corporate expenditures and taxes. Net cash provided by operating activities increased from the three months ended March 31, 2019 to the three months ended March 31, 2020 primarily due to improved operating results offset by timing of customers' payments and increases in cash paid for cost of revenues, operating expenses and income taxes.

Investing Activities

The net cash used in investing activities for the three months ended March 31, 2020 was primarily due to capital expenditures of $400.9 million as a result of our expansion activity, purchases of real estate of $36.4 million, business acquisitions of Packet and Axtel for $478.3 million, and purchases of investments of $44.8 million, partially offset by proceeds from sales of investments of $5.9 million. The net cash used in investing activities for the three months ended March 31, 2019 was primarily due to capital expenditures of $364.0 million as a result of our expansion activity, purchase of certificates of deposit of $9.3 million, and purchases of real estate of $5.7 million, partially offset by proceeds from sales of investments of $0.5 million.

We anticipate our IBX data center expansion construction activity will be similar or increase from our 2019 levels. If the opportunity to expand is greater than planned and we have sufficient funding to pursue such expansion opportunities, we may further increase the level of capital expenditure to support this growth as well as pursue additional business and real estate acquisitions or joint ventures.

Financing Activities

The net cash used in financing activities for the three months ended March 31, 2020 was primarily due to:

- borrowing under the revolving credit facility of $250.0 million;
- the sale of 162,530 shares of common stock under the ATM Program, for net proceeds of $101.8 million; and
- proceeds from the employee stock purchase plan of $30.4 million.

The proceeds were offset by:

- dividend distributions of $233.5 million;
- the repayment of senior notes of $343.7 million;
- repayments of finance lease liabilities of $19.0 million; and
- repayments of mortgage and loans payable of $18.5 million.

The net cash provided by financing activities for the three months ended March 31, 2019 was primarily due to:

- the sale of 2,985,575 shares of common stock in a public equity offering for net proceeds of approximately $1,213.4 million; and
- proceeds from employee awards of $27.6 million.

The proceeds were partially offset by:

- dividend distributions of $204.6 million;
- repayments of finance lease liabilities of $31.2 million; and
- repayments of mortgage and loans payable of $18.3 million.

Contractual Obligations and Off-Balance-Sheet Arrangements

We lease a majority of our IBX data centers and certain equipment under long-term lease agreements. The following represents our debt maturities, financings, leases and other contractual commitments as of March 31, 2020 (in thousands):

	2020 (9 months remaining)	2021	2022	2023	2024	Thereafter	Total
Term loans and other loans payable (1)	$ 55,962	$ 74,507	$ 1,383,505	$ 6,357	$ 5,874	$ 21,792	$ 1,547,997
Senior notes (1)	300,000	150,000	—	—	1,825,300	6,350,800	8,626,100
Interest (2)	265,567	330,058	324,461	301,927	289,944	572,901	2,084,858
Finance leases (3)	141,162	191,679	188,362	183,177	181,116	1,796,773	2,682,269
Operating leases (3)	137,567	190,031	182,747	167,266	155,392	1,080,313	1,913,316
Other contractual commitments (4)	1,276,909	272,609	100,964	51,312	37,795	282,785	2,022,374
Asset retirement obligations (5)	2,074	4,026	12,777	5,449	7,035	72,117	103,478
	$ 2,179,241	$ 1,212,910	$ 2,192,816	$ 715,488	$ 2,502,456	$ 10,177,481	$ 18,980,392

(1) Represents principal and unamortized mortgage premium only.

(2) Represents interest on mortgage payable, loans payable, senior notes and term loans based on their respective interest rates as of March 31, 2020, as well as the credit facility fee for the revolving credit facility.

(3) Represents lease payments under finance and operating lease arrangements, including renewal options that are certain to be exercised.

(4) Represents off-balance sheet arrangements. Other contractual commitments are described below.

(5) Represents liability, net of future accretion expense.

In connection with certain of our leases and other contracts requiring deposits, we entered into 41 irrevocable letters of credit totaling $76.1 million under the revolving credit facility. These letters of credit were provided in lieu of cash deposits under certain lease obligations. If beneficiaries of the letters of credit were to draw down on these letters of credit triggered by an event of default under the lease, we would be required to fund these letters of credit either through cash collateral or borrowing under the revolving credit facility. These contingent commitments are not reflected in the table above.

We had accrued liabilities related to uncertain tax positions totaling approximately $129.4 million as of March 31, 2020. These liabilities, which are reflected on our balance sheet, are not reflected in the table above since it is unclear when these liabilities will be paid.

As of March 31, 2020, we were contractually committed for $881.1 million of unaccrued capital expenditures, primarily for IBX data center equipment not yet delivered and labor not yet provided in connection with the work necessary to complete construction and open these IBX data centers prior to making them available to customers for installation. This amount, which is expected to be paid during the remainder of 2020 and thereafter, is reflected in the table above as "other contractual commitments."

We had other non-capital purchase commitments in place as of March 31, 2020, such as commitments to purchase power in select locations and other open purchase orders, which contractually bind us for goods or services to be delivered or provided during 2020 and beyond. Such other purchase commitments as of March 31, 2020, which total $1,141.2 million, are also reflected in the table above as "other contractual commitments."

In connection with the EMEA Joint Venture which closed in October 2019, we agreed to make future equity contributions to the EMEA Joint Venture. As of March 31, 2020, we had future equity contribution commitments of €16.1 million and £13.1 million, or $33.9 million in total at the exchange rate in effect on March 31, 2020, to fund the EMEA Joint Venture's future development over the next 3 years, which are not reflected in the table above.

Additionally, we entered into lease agreements in various locations for total lease commitments of approximately $680.8 million, excluding potential lease renewals. These lease agreements will commence between fiscal years 2020 and 2022 with lease terms of 2 to 49 years, which are not reflected in the table above.

Critical Accounting Policies and Estimates

Our condensed consolidated financial statements and accompanying notes are prepared in accordance with U.S. GAAP. The preparation of our financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. On an ongoing basis, management evaluates the accounting policies, assumptions, estimates and judgments to ensure that our condensed consolidated financial statements are presented fairly and in accordance with U.S. GAAP. Management bases its assumptions, estimates and judgments on historical experience, current trends and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. However, because future events and their effects cannot be determined with certainty, actual results may differ from these assumptions and estimates, and such differences could be material. Critical accounting policies for Equinix that affect our more significant judgment and estimates used in the preparation of our condensed consolidated financial statements include accounting for income taxes, accounting for business combinations, accounting for impairment of goodwill and accounting for property, plant and equipment, which are discussed in more detail under the caption "Critical Accounting Policies and Estimates" in Management's Discussion and Analysis of Financial Condition and Results of Operations, set forth in Part II Item 7, of our Annual Report on Form 10-K for the year ended December 31, 2019.

Recent Accounting Pronouncements

See Note 1 of Notes to Condensed Consolidated Financial Statements in Part I Item 1 of this Quarterly Report on Form 10-Q.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Market Risk

There have been no significant changes to our exposure management and procedures in relation to our market risk, investment portfolio risk, interest rate risk, foreign currency risk and commodity price risk exposures and procedures during the three months ended March 31, 2020 as compared to the respective risk exposures and procedures disclosed in Quantitative and Qualitative Disclosures About Market Risk, set forth in Part II Item 7A, of our Annual Report on Form 10-K for the year ended December 31, 2019, other than factors discussed below.

The uncertainty that exists with respect to the economic impact of the COVID-19 pandemic introduced significant volatility in the financial markets. See Part II, Item 1A. Risk Factors for additional information regarding potential risks to our business, financial condition and operating results related to the COVID-19 pandemic.

Foreign Currency Risk

To help manage the exposure to foreign currency exchange rate fluctuations, we have implemented a number of hedging programs, in particular (i) a cash flow hedging program to hedge the forecasted revenues and expenses in our EMEA region, (ii) a balance sheet hedging program to hedge the re-measurement of monetary assets and liabilities denominated in foreign currencies, and (iii) a net investment hedging program to hedge the long term investments in our foreign subsidiaries. Our hedging programs reduce, but do not entirely eliminate, the impact of currency exchange rate movements and its impact on the consolidated statements of operations.

We have entered into various foreign currency debt obligations. As of March 31, 2020, the total principal amount of foreign currency debt obligations was $4.2 billion, including $3.0 billion denominated in Euro, $558.4 million denominated in British Pound, $407.3 million denominated in Japanese Yen and $253.4 million denominated in Swedish Krona. As of March 31, 2020, we have designated $4.2 billion of the total principal amount of foreign currency debt obligations as net investment hedges against our net investments in foreign subsidiaries. For a net investment hedge, changes in the fair value of the hedging instrument designated as a net investment hedge are recorded as a component of other comprehensive income (loss) in the consolidated balance sheets. Fluctuations in the exchange rates between these foreign currencies and the U.S. Dollar will impact the amount of U.S. Dollars that we will require to settle the foreign currency debt obligations at maturity. If the U.S. Dollar would have been weaker or stronger by 10% in comparison to these foreign currencies as of March 31, 2020, we estimate our obligation to cash settle the principal of these foreign currency debt obligations in U.S. Dollars would have increased or decreased by approximately $471.7 million and $385.9 million, respectively.

In 2019, we also entered into cross-currency interest rate swaps where we receive a fixed amount of U.S. Dollars and pay a fixed amount of Euros, with a total notional amount of $750.0 million. The cross-currency interest rate swaps are designated as hedges of our net investment in European operations and changes in the fair value of these swaps are recorded as a component of accumulated other comprehensive income (loss) in the condensed consolidated balance sheet. If the U.S. Dollar weakened or strengthened by 10% in comparison to Euro, we estimate our obligation to cash settle these hedges would have increased or decreased by approximately $91.1 million and $74.6 million, respectively.

The U.S. Dollar strengthened relative to certain of the currencies of the foreign countries in which we operate during the three months ended March 31, 2020. This has impacted our condensed consolidated financial position and results of operations during this period, including the amount of revenues that we reported. Continued strengthening or weakening of the U.S. Dollar will continue to impact us in future periods.

With the existing cash flow hedges in place, a hypothetical additional 10% strengthening of the U.S. Dollar for the three months ended March 31, 2020 would have resulted in a reduction of our revenues and operating expenses including depreciation and amortization expense by approximately $41.3 million and $38.7 million, respectively.

With the existing cash flow hedges in place, a hypothetical additional 10% weakening of the U.S. Dollar for the three months ended March 31, 2020 would have resulted in an increase of our revenues and operating expenses including depreciation and amortization expense by approximately $50.5 million and $48.7 million, respectively.

Interest Rate Risk

We are exposed to interest rate risk related to our outstanding debt. An immediate increase or decrease in current interest rates from their position as of March 31, 2020 would not have a material impact on our interest expense due to the fixed coupon rate on the majority of our debt obligations. However, the interest expense associated with our senior credit facility and term loans that bear interest at variable rates could be affected. For every 100 basis point increase or decrease in interest rates, our annual interest expense could increase by approximately $13.8 million or decrease by approximately $5.8 million based on the total balance of our term loan borrowings as of March 31, 2020. As of March 31, 2020, we had not employed any interest rate derivative products to hedge our variable rate debt obligations. However, we may enter into interest rate hedging agreements in the future to mitigate our exposure to interest rate risk.

We periodically enter into interest rate locks to hedge the interest rate exposure created by anticipated fixed rate debt issuances, which are designated as cash flow hedges. When interest rate locks are settled, any accumulated gain or loss included as a component of other comprehensive income (loss) will be amortized to interest expense over the life of the related debt. We expect gains or losses in our interest rate locks to offset the losses and gains in the financial instruments they hedge.

Item 4. Controls and Procedures

(a) ***Evaluation of Disclosure Controls and Procedures.*** Our management, with the participation of our Chief Executive Officer and our Chief Financial Officer, conducted an evaluation, pursuant to Rule 13a-15 promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), of the effectiveness of our "disclosure controls and procedures" as of the end of the period covered by this quarterly report. Based on this evaluation, the Chief

Executive Officer and Chief Financial Officer concluded that the disclosure controls and procedures were effective as of the end of the period covered by this quarterly report.

(b) ***Changes in Internal Control over Financial Reporting.*** There were no changes in our internal control over financial reporting identified in connection with the evaluation required by Rules 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during the three months ended March 31, 2020 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

As a result of the COVID-19 pandemic, our established business continuity plans were activated in order to mitigate the impact to the control environment, including our global workforce shifting to a primarily work from home environment beginning in March 2020. While pre-existing controls were not specifically designed to operate in a work from home operating environment, we believe that our internal controls over financial reporting continue to be effective.

(c) ***Limitations on the Effectiveness of Controls.*** Our management, including our Chief Executive Officer and Chief Financial Officer, believes that our disclosure controls and procedures and internal control over financial reporting are designed and operated to be effective at the reasonable assurance level. However, our management does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. These inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by management override of the controls. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions; over time, controls may become inadequate because of changes in conditions, or the degree of compliance with policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

The following is a description of reportable legal proceedings, including those involving governmental authorities under federal, state and local laws regulating the discharge of materials into the environment.

In March 2019, charges were brought by the Public Prosecutor in Milan, Italy against Equinix (Italia) S.r.l. and Eric Schwartz, at that time one of the directors of Equinix (Italia) S.r.l., following the discovery of levels of copper in ground water in excess of those permitted by law and alleged to have been released by Equinix into the water supply. We determined that the copper levels detected had been misinterpreted by the Public Prosecutor's office, which had multiplied the findings tenfold. On March 13, 2019, we asked for an initial extension to file our defense and requested that the charges against both Equinix and Mr. Schwartz be dropped on the grounds that the levels of copper found were in fact less than double the permitted amounts. The Public Prosecutor accepted that the number it originally used was incorrect, but did not agree to drop the charges and has requested a trial date. Our defense was filed April 15, 2019. A trial date was set for March 6, 2020, but the hearing was cancelled due to the COVID-19 pandemic. It is likely that the hearing will take place in October 2020 at the earliest, but this may be subject to further change. Our external counsel has engaged with the prosecutor and agreed to a plea bargain for Mr. Schwartz comprising of payment of an amount between €12,700 and €25,000, plus a fine of €2,700. This arrangement must be approved by the Court. The maximum fine for Equinix relating to this matter is €350,000.

We have recently completed adoption of a formal compliance program pursuant to Italian Legislative Decree No. 231/2001 ("Decree 231"), which we expect will reduce our exposure to fines and penalties in a Court verdict by 50%. After adoption of Decree 231, the exposure for Equinix would be effectively reduced to €175,000.

While it is not possible to accurately predict the final outcome of this pending Court proceeding, if it is decided adversely to Equinix, we expect there would be no material effect on our consolidated financial position. Nevertheless, this proceeding is reported pursuant to Securities and Exchange Commission regulations.

Item 1A. Risk Factors

In addition to the other information contained in this report, the following risk factors should be considered carefully in evaluating our business:

The COVID-19 pandemic could have a negative effect on our business, results of operations and financial condition.

In December 2019, COVID-19, was reported to have surfaced in Wuhan, China. COVID-19 has since become a global pandemic and is present in each region in which we operate. We have continuously monitored our global operations as COVID-19 has spread across the globe and have implemented procedures focusing on the health and safety of our employees, customers, partners and communities and the continuity of our business offerings and compliance with governmental regulations and local public health guidance and ordinances. While we have activated our business continuity and pandemic plans with the intent that our business operations continue without interruption and our IBX data centers remain fully operational, we cannot guarantee our business operations or our IBX data centers will not be negatively impacted. Many jurisdictions in which we operate have exempted certain businesses from mandatory closure by designating them "essential businesses" or "critical infrastructure". Our IBX data centers have been designated “essential businesses” or “critical infrastructure” for purposes of remaining open during the COVID-19 pandemic in all of the jurisdictions that have published these exemptions but not all jurisdictions have created such designations. Any change in these classifications could cause operational disruptions or closures of the affected IBX data centers.

We have implemented processes to limit and schedule access to certain IBX data centers as well as implemented social distancing and hygiene protocols in response to the growing number of suspected and confirmed COVID-19 cases. These proactive actions we have taken or may take in the future and any restrictions imposed by the government could result in business delays, operational disruption and customer dissatisfaction. Employee illnesses resulting from the pandemic could result in further inefficiencies or delays and a suspected or confirmed case in an IBX data center could require temporary closure of the affected IBX data center for cleaning. Any closure of an IBX data center or limitation in customer access could cause customer dissatisfaction if customers are unable to access their equipment within the IBX data center. We also have service level agreements which could be affected if we are required to close an IBX data center for any reason.

Preventative measures instituted by governments and businesses to mitigate the spread of COVID-19, including travel restrictions, social distancing requirements, shelter in place orders, and quarantines, have negatively impacted the global economy and may adversely impact us, our customers and vendors. Some of our customers have been negatively impacted by the COVID-19 pandemic which could affect our revenues. Certain customers have requested revised payment terms and more customers could potentially request such terms. If such an increase for revised payment terms occurs, some delays in accounts receivable collection would result. A prolonged economic downturn could result in a larger customer churn than we currently anticipate and reduced demand for our products and services, in which case our revenues could be significantly impacted.

Given the uncertainty around the duration and extent of the COVID-19 pandemic, we cannot accurately predict at this time how the pandemic will affect our business growth over time; however, we are experiencing some construction delays due to governmental action as well as supply disruptions from certain vendors and suppliers who have been affected more directly by the COVID-19 pandemic, and these delays are likely to continue. Significant construction delays will interfere with our ability to meet commitments to customers who have contracted for space in new IBX data centers under construction. While our IBX data centers are designated as “essential businesses” or “critical infrastructure” in many of our jurisdictions and we have received "essential business" permits for construction in some jurisdictions, these classifications may not extend to the construction of new IBX data centers in all of our jurisdictions. We are also reliant on third party construction labor to build and expand our IBX data centers, to which we may not have access due to the COVID-19 pandemic. We rely on materials, products and manufacturing from regions of the world which are impacted by the pandemic. It may not be possible to find replacement products or supplies and ongoing delays could affect our business and growth. We expect the delays we are experiencing due to governmental action and shortages of construction materials and labor to continue and anticipate other delays and shortages could arise as the pandemic continues.

The COVID-19 pandemic has also caused significant volatility in financial markets, including the market price of our securities. Debt or equity financing may not be available when needed or, if available, may not be available on satisfactory terms. Our inability to obtain 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 financial condition or results of operations.

While the full extent and impact of the COVID-19 pandemic cannot be reasonably estimated at this time, it could have a material adverse impact on our business and financial condition. The extent to which the COVID-19 pandemic will impact our financial condition or results of operations will depend on many factors and future developments, including new information about the COVID-19 pandemic and any new government regulations which may emerge to contain the virus, among others.

Adverse global economic conditions, like the ones we are currently experiencing during the COVID-19 pandemic, could adversely impact our business and financial condition.

Adverse global economic conditions like the ones we are currently experiencing because of the COVID-19 pandemic and uncertain conditions in the credit markets have created, and in the future may increase risk to our financial outlook. The uncertain global economy could also result in material churn in our customer base, reductions in revenues from our offerings, 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, our ability to access the capital markets may be restricted 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.

If our IBX data center employees are unable to work inside our IBX data centers, it could have a material adverse impact on our business.

Our IBX data centers require staff onsite to keep the building operational for our customers. If any of our IBX data centers are closed for any reason, our customers may not be able to access their equipment and our relationship with our customers could be harmed. Equinix has been designated as an “essential business” or “critical infrastructure” in many jurisdictions for purposes of the COVID-19 pandemic. Where issued, these designations have enabled our IBX data center employees to work onsite and all of our IBX data centers are currently operational. However, these designations have not been issued in every jurisdiction and governmental authorities may change these designations where issued. If any governmental authority changes an IBX data center's designation as an "essential business" or "critical infrastructure" or otherwise restricts Equinix employees' ability to work within our IBX data centers for any reason, our operations could be significantly impacted and our business harmed.

Our construction of additional new IBX data centers or IBX data center expansions 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 markets. These construction projects expose us to many risks which could have an adverse effect on our operating results and financial condition. As described above, the COVID-19 pandemic has exacerbated many of these risks and has created additional risks for our business. Some of the risks associated with construction projects include:

- construction delays;
- 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 from public agencies and utility companies; and
- delays in site readiness leading to our failure to meet commitments made to customers planning to expand into a new build.

Construction projects are dependent on permitting from public agencies and utility companies. We are currently experiencing permitting delays in Amsterdam due to the temporary halt on construction of data centers in the municipality due to pressure on power infrastructure and special planning. Permitting may also be delayed due to the COVID-19 pandemic. While we don't expect any negative impact for our business in Amsterdam, these types of delays related to permitting from public agencies and utility companies could occur in other markets and have an adverse effect on our 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 or significant subcontractor 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. 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 centers. Should these solutions not provide the necessary reliability to sustain connection, 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 three data centers from Axtel S.A.B. de C.V. in Mexico in January 2020 and Packet Host, Inc. in March 2020. 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; or (iii) acquisitions through investments in local data center operators. 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;
- 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 negative effects resulting from uncertainty about completion of the respective acquisition;
- 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 before integrating them;
- the possibility that we may be unable to integrate or migrate IT systems, which could create a risk of errors or performance problems and could affect our ability to meet customer service level obligations;
- 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 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, 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; and
- the possibility that we receive limited or incorrect information about the acquired business in the diligence process, particularly in light of the travel bans and other restrictions imposed due to COVID-19. Additionally, we sometimes do not receive all of the customer contracts associated with our acquisitions in the diligence process, which affects our visibility into customer termination rights and could expose us to additional liabilities.

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 will be similar to prior IBX data center acquisitions. 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 with GIC may not be fully realized, or take longer to realize than expected.

On October 8, 2019, we entered into a joint venture with GIC, Singapore's sovereign wealth fund, to develop and operate xScale™ data centers in Europe (the "EMEA Joint Venture"). We sold our London 10 and Paris 8 data centers and certain construction development and leases in London and Frankfurt to the EMEA Joint Venture. The data centers and facilities are now owned by wholly-owned subsidiaries of EMEA Hyperscale 1 C.V., a Dutch limited partnership of which Equinix owns a 20% interest, GIC owns an 80% interest, and Equinix will operate the facilities.

On April 18, 2020, we signed an agreement to enter into a second joint venture with GIC, to develop and operate xScale™ data centers in Asia-Pacific (the “Asia-Pacific Joint Venture”, and together with the EMEA Joint Venture, the “Joint Ventures”). We have agreed to sell 3 development sites in Japan to the Asia-Pacific Joint Venture upon closing. Pursuant to the terms of the Asia-Pacific Joint Venture, upon closing, the sites will be acquired and held by a wholly-owned subsidiary of APAC 1 Hyperscale LP, a limited partnership formed and registered under the laws of Singapore, of which Equinix will own a 20% interest and GIC will own an 80% interest, and Equinix will develop the data centers and operate the facilities. The completion of the Asia-Pacific Joint Venture is subject to closing conditions, including:

- certain financing conditions, including the fulfilment by each of Equinix and GIC of their funding obligations and obtaining certain external financing arrangements;
- completion of pre-closing reorganization; and
- obtaining required regulatory approvals.

Although we believe that the conditions will be satisfied, it is possible that the parties may not satisfy these conditions, or that they may only be satisfied subject to certain conditions or undertakings, which may not be acceptable. We cannot provide any assurance that the Asia-Pacific Joint Venture will be completed on the proposed terms, or that there will not be a delay in the completion of the Asia-Pacific Joint Venture. Failure to complete the Asia-Pacific Joint Venture in a timely manner or at all could adversely impact the price of our common stock and we could fail to recognize the anticipated benefits of the Asia-Pacific Joint Venture.

The success of the Asia-Pacific Joint Venture will 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.

We may not realize all of the anticipated benefits from either of the Joint Ventures. The success of these Joint Ventures will depend, in part, on the successful partnership between Equinix and GIC. Such a partnership is subject to risks as outlined below, 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, could materially impact our business, financial condition and results of operations.

Joint venture investments, such as our Joint Ventures with GIC, 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 with GIC, 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 TRS in order for Equinix to maintain its 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 Equinix because of our joint venture;
- 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; and
- 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 the company to pay an amount greater than its investment in the joint venture.

Each of these factors may result in returns on these investments being less than we expect or in losses, and our financial and operating results may be adversely affected.

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 March 31, 2020, our total indebtedness (gross of debt issuance cost, debt discount, and debt premium) was approximately $11.8 billion, our stockholders' equity was $8.7 billion and our cash, cash equivalents, and investments totaled $1.2 billion. In addition, as of March 31, 2020, we had approximately $1.7 billion of additional liquidity available to us from our $2.0 billion revolving credit facility. On April 15, 2020, we entered into a credit agreement which provides for senior unsecured 364-day term loan facilities in an aggregate principal amount of $750.0 million and we borrowed $391.0 million, as well as €100.0 million or $109.8 million at the exchange rate in effect on that date. 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 March 31, 2020, we recorded operating lease liabilities of $1.4 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.

The phase out of the London Interbank Offered Rate ("LIBOR"), and uncertainty as to its replacement, may adversely affect our business.

On July 27, 2017, the United Kingdom Financial Conduct Authority, which regulates LIBOR, announced that it intends to stop persuading or compelling banks to submit rates for the calibration of LIBOR after 2021 after which time it can no longer guarantee its availability. Although alternative reference rates have been proposed, it is unknown at this point which of these alternative reference rates will attain market acceptance as replacements for LIBOR.

Certain term loan borrowings under our Senior Credit Facility bear interest at rates that are calculated based on LIBOR. In addition, certain of our agreements, including financing, customer, vendor, leasing, intercompany, derivative and joint venture agreements, also make reference to LIBOR. To prepare for the phase out of LIBOR, we may need to renegotiate the Senior Credit Facility and other agreements and may not be able to do so on terms that are favorable to us. It is also currently unknown what impact any contract modification will have on our financial statements. Further, the financial markets may be disrupted as a result of the phase out of LIBOR if banks fail to execute a smooth transition to an alternate rate.

Disruption in the financial markets or the inability to renegotiate our agreements to remove and replace LIBOR on favorable terms, or a negative impact from any contract modifications, could have an adverse effect on our business, financial position, and operating results.

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.

For the years ended December 31, 2019, 2018 and 2017, we recognized approximately 58%, 55% and 55%, respectively, of our revenues outside the U.S. We currently operate outside of the U.S. in Brazil, Canada, Colombia, Mexico, EMEA and Asia-Pacific.

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 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. 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 such as the United Kingdom's withdrawal from the European Union ("Brexit");
- 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;
- compliance with evolving governmental regulation with which we have little experience; and
- compliance with evolving and varied regulations related to the COVID-19 pandemic.

Geo-political events, such as the COVID-19 pandemic, Brexit, political unrest in Hong Kong, and the trade war between the U.S. and China, may increase the likelihood of the listed risks to occur. 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 regulations include the General Data Protection Regulation (GDPR) and other data privacy 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. Violations of these 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 offer 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 operating results. Our success depends, in part, on our ability to anticipate and address these risks and manage these difficulties.

Economic and political uncertainty in developing markets could adversely affect our revenue and earnings.

We conduct business and are contemplating expansion in developing markets with economies and governments that tend to be more volatile than those in the U.S. and Western Europe. The risk of doing business in developing markets such as Brazil, China, Colombia, Indonesia, Mexico, Oman, Turkey, the United Arab Emirates and other economically volatile areas could adversely affect our operations and earnings. Such risks include the financial instability among customers in these regions, political instability, fraud or corruption and other non-economic factors such as irregular trade flows that need to be managed successfully with the help of the local governments. In addition, commercial laws in some developing countries can be vague, inconsistently administered and retroactively applied. If we are deemed to be not in compliance with applicable laws in developing countries where we conduct business, our prospects and business in those countries could be harmed, which could then have a material adverse impact on our results of operations and financial position. Our failure to successfully manage economic, political and other risks relating to doing business in developing countries and economically and politically volatile areas could adversely affect our business.

Terrorist activity throughout the world and military action to counter terrorism could adversely impact our business.

The continued threat of terrorist activity and other acts of war or hostility contribute to a climate of political and economic uncertainty. Due to existing or developing circumstances, we may need to incur additional costs in the future to provide enhanced security, including cyber security, which could have a material adverse effect on our business and results of operations. These circumstances may also adversely affect our ability to attract and retain customers, our ability to raise capital and the operation and maintenance of our IBX data centers.

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. We have established an "at-the-market" stock offering program (the "ATM Program") through which we may, from time to time, issue and sell shares of our common stock to or through sales agents up to established limits. By the end of the first quarter of 2020, we had $197.5 million of shares of our common stock available for sale under our ATM Program. We may also seek authorization to sell additional shares of common stock under the ATM Program, enter into new “at-the-market” stock offering programs, or through other means which could lead to additional dilution for our stockholders. Please see Note 12 of the Notes to the Consolidated Financial Statements in our 2019 Annual Report on Form 10-K for sales of our common stock under the ATM Program.

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 current instability due to the COVID-19 pandemic, and market conditions for telecommunications and real estate investment trust 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 COVID-19 pandemic;
- our operating results or forecasts;
- new issuances of equity, debt or convertible debt by us, including issuances through our 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.

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.

Fluctuations in foreign currency exchange rates in the markets in which we operate internationally could harm our results of operations.

We may 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. 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, if the U.S. Dollar strengthens relative to the currencies of the foreign countries in which we operate, as we have experienced recently during the COVID-19 pandemic, 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 Market Risk" included in Item 3 of this Quarterly Report on Form 10-Q.

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.

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 and appealing the tentative assessments in a number of jurisdictions where we operate. The final results of these audits and the outcomes of the appeals are uncertain and may not be resolved in our favor. Additionally, the COVID-19 pandemic has led to increased spending by many governments. Because of this, there could be pressure to increase taxes in the future to pay back debt 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.

We may be vulnerable to security breaches which could disrupt our operations and have a material adverse effect on our financial performance and operating results.

We 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. These threats may result from human error, equipment failure or fraud or malice on the part of employees or third parties. A party who is able to compromise the security measures on our networks or the security of our infrastructure could misappropriate either our proprietary information 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 may be required to expend significant capital and resources to protect against such threats or to alleviate problems caused by breaches in security. 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. Any breaches that may occur 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 operating results. We maintain insurance coverage for cyber risks, but such coverage may be unavailable or insufficient to cover our losses.

We offer professional services 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 services, creates some risk that our clients' networks or data will 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 Equinix were held responsible for any such breach, it could result in a significant loss to Equinix, including damage to Equinix's client relationships, harm to our brand and reputation, and legal liability.

We are continuing 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 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.

Our offerings have a long sales cycle that may harm our revenue and operating results.

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. We have also significantly expanded our sales force in recent years, and it will take time for these new hires to become fully productive. Delays may be further exacerbated by the COVID-19 pandemic.

Delays due to the length of our sales cycle may materially and adversely affect our revenues and operating results, which could harm our ability to meet our forecasts and cause volatility in our stock price.

Any failure of our physical infrastructure or negative impact on our ability to provide our services, 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 results.

Our business depends on providing customers with highly reliable solutions. We must safehouse our customers' infrastructure and equipment located in our IBX data centers and ensure our IBX data centers and non-IBX offices 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. 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 centers.

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:

- human error;
- equipment failure;
- physical, electronic and cyber security 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; 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 operating results.

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.

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 operating results.

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, such as our procurement system, or to support our compliance with evolving U.S. GAAP, such as the new revenue accounting, derivatives and hedging and leasing standards. 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 the company 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 operating results.

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.

The COVID-19 pandemic is expected have a material effect on many aspects of the economy but the extent of its impact on Equinix is difficult to predict at this time. We continue to evolve our forecasting models as the situation unfolds 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.

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 minimal levels of earthquake insurance for certain of our IBX data centers, but for most of our data centers, including many in California, 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 cyber risks, could prove to be inadequate, which could materially and adversely impact our business, financial condition and results of operations.

Environmental regulations may impose upon us new or unexpected costs.

We are subject to various federal, state, local and international environmental and health and safety laws and regulations, 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 materials such as petroleum fuel for emergency generators, as well as batteries, cleaning solutions and other materials. In addition, we lease, own or operate real property at which hazardous substances and regulated materials have been used in the past. 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 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 cleaned up or removed from our property, we may be responsible under applicable laws, permits or leases for the 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 are subject to environmental laws, regulations and permit requirements. These environmental requirements are 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 could limit air emissions from coal-fired power plants, restrict discharges of cooling water, and otherwise impose new operational restraints on conventional 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 arising in our business. For example, our emergency generators are subject to state and federal 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 the cost of electricity by reducing amounts of electricity generated from fossil fuels, by requiring the use of more expensive generating methods or by imposing taxes or fees upon electricity generation or use. There has been interest in the U.S. Congress in addressing climate change expressed by a number of bills introduced in the current Congressional Session. Federal legislative proposals to address climate change include measures ranging from "carbon taxes," to tax credits, to federally imposed limitations on GHG emissions. The course of future legislation and regulation remains difficult to predict and the potential increased costs associated with GHG regulation or taxes cannot be estimated at this time.

State regulations also have the potential to increase our costs of obtaining electricity. Certain states, like California, have issued or may enact environmental regulations that could materially affect our facilities and electricity costs. California has limited GHG emissions from new and existing conventional power plants by imposing regulatory caps and by auctioning the rights to emission allowances. Washington, Oregon and Massachusetts have issued regulations to implement similar carbon cap and trade programs, and other states are considering proposals to limit carbon emissions through cap and trade programs, carbon pricing programs and other mechanisms. Some northeastern states adopted a multi-state program for limiting carbon emissions through the Regional Greenhouse Gas Initiative ("RGGI") cap and trade program. State programs have not had a material adverse effect on our electricity costs to date, but due to the market-driven nature of some of the programs, they could have a material adverse effect on electricity costs in the future.

Aside from regulatory requirements, we have separately undertaken efforts to procure energy from renewable energy projects in order to support new renewables development. The costs of procuring such energy may exceed the costs of procuring electricity from existing sources, such as existing utilities or electric service provided through conventional grids. 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.

Our business may be adversely affected by climate change and responses to it.

Severe weather events, such as droughts, heat waves, fires, hurricanes, and flooding, pose a threat to our 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 locally and regionally as part of broader climate changes. Global weather pattern changes 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. 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 protect us or our customers from all such disasters or events. Failure to prevent impact to customers from such events could adversely affect our business.

We face pressures from our customers and stockholders, who are increasingly focused on climate change, to prioritize sustainable energy practices, reduce our carbon footprint and promote sustainability. To address these concerns, we pursue opportunities to improve energy efficiency and implement energy-saving retrofits. In addition, we have established a long-term goal of using 100% clean and renewable energy. As a result of these and other initiatives, we have made progress towards reducing our carbon footprint. It is possible, however, that our customers and investors might not be satisfied with our sustainability efforts or the speed of their adoption. If we do not meet our customers' or stockholders' expectations, our business and/or our share price could be harmed.

Concern about climate change in various jurisdictions may result in more stringent laws and regulatory requirements regarding emissions of carbon dioxide or other GHGs. As described above under "RISK FACTORS - Environmental regulations may impose upon us new or unexpected costs," 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 other climate change regulations, may have an adverse effect on our business and our results of operations.

Our business could be harmed by prolonged power outages, shortages or capacity constraints.

Our IBX data centers are affected by problems accessing electricity sources, such as planned or unplanned power outages and limitations on transmission or distribution. Unplanned power outages, including, but not limited to those relating to large storms, earthquakes, fires, tsunamis, cyberattacks and planned power outages by public utilities such as those related to Pacific Gas and Electric Company's ("PG&E") planned outages in California to minimize fire risks, could harm our customers and our business. 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 may 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 and alternative power supplies, but these measures may not always prevent downtime, which can adversely affect customer experience and revenues.

In each of our markets, we rely on third parties to provide a sufficient amount of power for current and future customers. At the same time, power and cooling requirements are increasing per unit of equipment. As a result, some customers are consuming an increasing amount of power per cabinet. We generally do not control the amount of power our customers draw from their installed circuits, which can result in growth in the aggregate power consumption of our facilities beyond our original plan and expectations. This means that limitations on the capacity of our electrical delivery systems and equipment could limit customer utilization of our IBX data centers. These limitations could have a negative impact on the effective available capacity of a given center and limit our ability to grow our business, which could have a negative impact on our financial performance, operating results and cash flows.

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. We may experience significant delays and substantial increased costs demanded by the utilities to provide the level of electrical service required by our current IBX data center designs.

The security of our electricity supplies in California could be adversely affected by the actions of the court in the bankruptcy proceeding (the "Bankruptcy Court") filed on January 29, 2019, of PG&E, the public utility that serves the area in which some of our facilities are located. PG&E announced that it filed for bankruptcy to facilitate the resolution of liabilities in connection with the 2017 and 2018 Northern California wildfires. On January 31, 2020, PG&E filed an amended proposed chapter 11 plan of reorganization (the "Plan"). It is possible that, during its bankruptcy, PG&E could seek permission from the Bankruptcy Court to reject certain burdensome executory contracts. If PG&E seeks and is ultimately allowed to reject power agreements, it is difficult to predict the consequences of any such action for us but they could potentially include procuring electricity from more expensive sources, reducing the availability and reliability of electricity supplied to our facilities and relying on a larger percentage of electricity generated by fossil fuels, any of which could reduce supplies of electricity available to our operations or increase our costs of electricity.

Any power outages, shortages or capacity constraints may have an adverse effect on our business and our 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 undertook a review of our organizational architecture and have made, and will continue to make, changes as a result of that review. There can be no assurances that the changes won't result in attrition, that the significant amount of management and other employees' time and focus to implement the changes won't divert attention from operating and growing the business, or that any changes will result in increased organizational effectiveness. 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, 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.

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 Equinix is one of more than 1,200 companies that provide these offerings around the world. Equinix competes with these firms which vary in terms of their data center offerings. 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.

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 customers, our operating results 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, 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. If we misjudge customer needs in the future, our new offerings may not succeed, and our revenues and earnings may be harmed. 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.

We recently announced our Joint Venture with GIC and are also in discussions with a targeted set of hyperscale customers to develop capacity to serve their larger footprint needs by leveraging existing capacity and dedicated hyperscale builds. We have announced our intention to seek additional joint venture partners for certain of our hyperscale builds. There can be no assurances that our joint ventures will be successful or that we find additional partners or that we are able to successfully meet the needs of these customers.

We also recently acquired Packet Host, Inc., a bare metal automation company to facilitate a new product offering for Equinix. While we believe this new product offering 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. Our company has not historically offered hardware solutions, and this would be a 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.

The use of high power density equipment may limit our ability to fully utilize our older IBX data centers.

Some customers have increased their use of high power density equipment, such as blade servers, in our IBX data centers which has increased the demand for power on a per cabinet basis. 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 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 infrastructure of an IBX data center to deliver additional power to customers. Although we are currently designing and building to a higher power specification than that of many of our older IBX data centers, there is a risk that demand will continue to increase and our IBX data centers could become underutilized sooner than expected.

If our internal controls are found to be ineffective, our financial results or our stock price may be adversely affected.

Our most recent evaluation of our controls resulted in our conclusion that, as of December 31, 2019, in compliance with Section 404 of the Sarbanes-Oxley Act of 2002, our internal controls over financial reporting were effective. Our ability to manage our operations and growth through, for example, the integration of recently acquired businesses, the adoption of new accounting principles and tax laws, and our overhaul of our back office systems that, for example, support the customer experience from initial quote to customer billing and our revenue recognition process, will require us to further develop our controls and reporting systems and implement or amend new or existing controls and reporting systems in those areas where the implementation and integration is still ongoing. All of these changes to our financial systems and the implementation and integration of acquisitions create an increased risk of deficiencies in our internal controls over financial reporting. If, in the future, our internal control over financial reporting is found to be ineffective, or if a material weakness is identified in our controls over financial reporting, our financial results may be adversely affected. Investors may also lose confidence in the reliability of our financial statements which could adversely affect our stock price.

Our operating results may fluctuate.

We have experienced fluctuations in our results of operations on a quarterly and annual basis. The fluctuations in our operating results may cause the market price of our common stock to be volatile. We may experience significant fluctuations in our operating results in the foreseeable future due to a variety of factors, including, but not limited to:

- fluctuations of foreign currencies in the markets in which we operate;
- 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;
- changes in general economic conditions, such as from the COVID-19 pandemic 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;
- charges to earnings resulting from past acquisitions due to, among other things, impairment of goodwill or intangible assets, reduction in the useful lives of intangible assets acquired, identification of additional assumed contingent liabilities or revised estimates to restructure an acquired company's operations;
- the duration of the sales cycle for our offerings and our ability to ramp our newly-hired sales persons to full productivity within the time period we have forecasted;
- 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;
- acquisitions or dispositions we may make;
- 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;
- the timing required for new and future IBX data centers to open or become fully utilized;
- competition in the markets in which we operate;
- conditions related to international operations;
- 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 rent expense as we amend our IBX data center leases in connection with extending their lease terms when their initial lease term expiration dates approach or changes in shared operating costs in connection with our leases, which are commonly referred to as common area maintenance expenses;
- the timing and magnitude of other operating expenses, including taxes, expenses related to the expansion of sales, marketing, operations and acquisitions, if any, of complementary businesses and assets;

- the cost and availability of adequate public utilities, including electricity;
- changes in employee stock-based compensation;
- overall inflation;
- increasing interest expense due to any increases in interest rates and/or potential additional debt financings;
- 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 operating results. Prior to 2008, we had generated net losses every fiscal year since inception. 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 operating results in one or more future quarters may fail to meet the expectations of securities analysts or investors.

Our days sales outstanding ("DSO") may be negatively impacted by process and system upgrades and acquisitions.

Our DSO may be negatively impacted by ongoing process and system upgrades which can impact our customers' experience in the short term, together with integrating recent acquisitions into our processes and systems, which may have a negative impact on our operating cash flows, liquidity and financial performance.

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 March 31, 2020, our retained earnings were $1,509.3 million. Although we have generated net income for each fiscal year since 2008, except for the year ended December 31, 2014, 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.

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 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. 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 could force us to exit a building prematurely, which could disrupt our business, harm our customer relationships, expose us to liability under our customer contracts, cause us to take impairment charges and affect our operating results 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 operating results 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 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.

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 operating results and cash flow will be adversely affected.

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.

Additionally, 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 operating results.

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. Finally, any uncertain global economic climate, including the one we are currently experiencing as a result of the COVID-19 pandemic, 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.

We may be subject to securities class action and other litigation, which may harm our business and results of operations.

We may be subject to securities class action or other litigation. For example, securities class action litigation has often been brought against a company following periods of volatility in the market price of its securities, such as the one we are currently experiencing from the COVID-19 pandemic. Litigation can be lengthy, expensive, and divert management's attention and resources. Results cannot be predicted with certainty and an adverse outcome in litigation could result in monetary damages or injunctive relief. Further, any payments made in settlement may directly reduce our revenue under U.S. GAAP and could negatively impact our operating results for the period. For all of these reasons, litigation could seriously harm our business, results of operations, financial condition or cash flows.

We may not be able to protect our intellectual property rights.

We cannot make assurances that the steps taken by us to protect our intellectual property rights will be adequate to deter misappropriation of proprietary information or that we will be able to detect unauthorized use and take appropriate steps to enforce our intellectual property rights. We also are subject to the risk of litigation alleging infringement of third-party intellectual property rights. Any such claims could require us to spend significant sums in litigation, pay damages, develop non-infringing intellectual property or acquire licenses to the intellectual property that is the subject of the alleged infringement.

Government regulation 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 and its impact on Equinix uncertain. There may also be forthcoming regulation in the U.S. in the areas of cybersecurity, data privacy and data security, any of which could impact Equinix and our customers. Similarly, data privacy regulations continue to evolve and must be addressed by Equinix as a global company.

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, and taxation apply to the internet and to related offerings such as ours; and 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.

While our business and IBX data centers are currently all operational and have been designated "critical infrastructure" or "essential services" in order to remain open in many jurisdictions during the COVID-19 pandemic, any regulations restricting our ability to operate our business due to COVID-19 could have a material adverse effect on our business. Additionally, the "essential services" and "critical infrastructure" designations we have experienced could lead countries or local regulators to impose additional regulations on the data center industry following the COVID-19 pandemic in order to have better visibility and control over our industry for future events.

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.

Industry consolidation may have a negative impact on our business model.

If customers combine businesses, they may require less colocation space, which could lead to churn in our customer base. 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.

We have various mechanisms in place that may discourage takeover attempts.

Certain provisions of our certificate of incorporation and bylaws may discourage, delay or prevent a third party from acquiring control of us in a merger, acquisition or similar transaction that a stockholder may consider favorable. Such provisions include:

- ownership limitations and transfer restrictions relating to our stock that are intended to facilitate our compliance with certain REIT rules relating to share ownership;
- authorization for the issuance of "blank check" preferred stock;
- the prohibition of cumulative voting in the election of directors;
- limits on the persons who may call special meetings of stockholders;
- limits on stockholder action by written consent; and
- advance notice requirements for nominations to the Board of Directors or for proposing matters that can be acted on by stockholders at stockholder meetings.

In addition, Section 203 of the Delaware General Corporation Law, which restricts certain business combinations with interested stockholders in certain situations, may also discourage, delay or prevent someone from acquiring or merging with us.

Risks Related to Our Taxation as a REIT

We may not remain qualified for taxation as a REIT.

We have 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 a quarterly distribution in March of 2020 and have declared a quarterly distribution to be paid on June 17, 2020. 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 U.S. 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 U.S. 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.

We may be required to borrow funds, sell assets or raise equity to satisfy our REIT distribution requirements.

Due to the size and timing of future distributions, including any distributions made to satisfy REIT distribution requirements, we may need to borrow funds, sell assets or raise equity, even if the then-prevailing market conditions are not favorable for these borrowings, sales or offerings.

Any insufficiency of our cash flows to cover our REIT distribution requirements could adversely impact our ability to raise short- and long-term debt, to sell assets, or to offer equity securities in order to fund distributions required to maintain our qualification and taxation as a REIT. Furthermore, the REIT distribution requirements may increase the financing we need to fund capital expenditures, future growth and expansion initiatives. This would increase our indebtedness. A significant increase in our outstanding debt could lead to a downgrade of our credit rating. A downgrade of our credit rating could negatively impact our ability to access credit markets. Further, certain of our current debt instruments limit the amount of indebtedness we and our subsidiaries may incur. Significantly more financing, therefore, may be unavailable, more expensive or restricted by the terms of our outstanding indebtedness. For a discussion of risks related to our substantial level of indebtedness, see other risks described elsewhere in this Form 10-Q.

Whether we issue equity, at what price and the amount and other terms of any such issuances will depend on many factors, including alternative sources of capital, our then-existing leverage, our need for additional capital, market conditions and other factors beyond our control. If we raise additional funds through the issuance of equity securities or debt convertible into equity securities, the percentage of stock ownership by our existing stockholders may be reduced. In addition, new equity securities or convertible debt securities could have rights, preferences and privileges senior to those of our current stockholders, which could substantially decrease the value of our securities owned by them. Depending on the share price we are able to obtain, we may have to sell a significant number of shares in order to raise the capital we deem necessary to execute our long-term strategy, and our stockholders may experience dilution in the value of their shares as a result.

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 ability to fully deduct our interest expense may be limited, or we may be required to adjust the tax depreciation of our real property in order to maintain the full deductibility of our interest expense.

The Code limits interest deductions for businesses, whether in corporate or passthrough form, to the sum of the taxpayer's business interest income for the tax year and 50% (30% for tax years after 2020) of the taxpayer's adjusted taxable income for that tax year. This limitation does not apply to an "electing real property trade or business". Although REITs are permitted to make such an election, we do not currently intend to do so. If we so elect in the future, depreciable real property that we hold (including specified improvements) would be required to be depreciated for U.S. federal income tax purposes under the alternative depreciation system of the Code, which generally imposes a class life for depreciable real property as long as 40 years.

As a REIT, we are limited in our ability to fund distribution payments using cash generated through our TRSs.

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. Specifically, if our TRSs become highly profitable, we might become limited in our ability to receive net income from our TRSs in an amount required to fund distributions to our stockholders commensurate with that profitability.

In addition, a significant amount of our income and cash flows from our TRSs is generated from our international operations. In many cases, there are local withholding taxes and currency controls that may impact our ability or willingness to repatriate funds to the United States to help satisfy REIT distribution requirements.

Our extensive use of TRSs, including for certain of our international operations, may cause us to fail to remain qualified for taxation as a REIT.

Our operations include an extensive use of TRSs. The net income of our TRSs is not required to be distributed to us, and income that is not distributed to us generally is not subject to the REIT income distribution requirement. However, 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.

Our cash distributions are not guaranteed and may fluctuate.

A REIT generally is required to distribute at least 90% of its REIT taxable income to its stockholders.

Our Board of Directors, in its sole discretion, will determine on a quarterly basis the amount of cash to be distributed to our stockholders based on a number of factors including, but not limited to, our results of operations, cash flow and capital requirements, economic conditions, tax considerations, borrowing capacity and other factors, including debt covenant restrictions that may impose limitations on cash payments, future acquisitions and divestitures and any stock repurchase program. Consequently, our distribution levels may fluctuate.

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 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 (currently 21%) 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 21% 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.

Complying with REIT requirements may limit our ability to hedge effectively and increase the cost of our hedging and may cause us to incur tax liabilities.

The REIT provisions of the Code limit our ability to hedge assets, liabilities, revenues and expenses. Generally, income from hedging transactions that we enter into to manage risk of interest rate changes or fluctuations with respect to borrowings made or to be made by us to acquire or carry real estate assets and income from certain currency hedging transactions related to our non-U.S. operations, as well as income from qualifying counteracting hedges, do not constitute "gross income" for purposes of the REIT gross income tests. To the extent that we enter into other types of hedging transactions, the income from those transactions is likely to be treated as nonqualifying income for purposes of the REIT gross income tests. As a result of these rules, we may need to limit our use of advantageous hedging techniques or implement those hedges through our TRSs, which we presently do. This increases the cost of our hedging activities because our TRSs are subject to tax on income or gains resulting from hedges entered into by them and may expose us to greater risks associated with changes in interest rates or exchange rates than we would otherwise want to bear. In addition, hedging losses in any of our TRSs may not provide any tax benefit, except for being carried forward for possible use against future income or gain in the TRSs. As a result, our financial performance, including our AFFO, may also fluctuate.

Distributions payable by REITs generally do not qualify for preferential tax rates.

Dividends payable by U.S. corporations to noncorporate stockholders, such as individuals, trusts and estates, are generally eligible for reduced U.S. federal income tax rates applicable to "qualified dividends." Distributions paid by REITs generally are not treated as "qualified dividends" under the Code, and the reduced rates applicable to such dividends do not generally apply. However, for tax years beginning before 2026, REIT dividends paid to noncorporate stockholders are generally taxed at an effective tax rate lower than applicable ordinary income tax rates due to the availability of a deduction under the Code for specified forms of income from passthrough entities. More favorable rates will nevertheless continue to apply to regular corporate "qualified" dividends, which may cause some investors to perceive that an investment in a REIT is less attractive than an investment in a non-REIT entity that pays dividends, thereby reducing the demand and market price of our common stock.

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.

Legislative or other actions affecting REITs could have a negative effect on us or our stockholders.

At any time, the U.S. federal or state income tax laws governing REITs, or the administrative interpretations of those laws, may be amended. U.S. federal and state tax laws are constantly under review by persons involved in the legislative process, the Internal Revenue Service, the U.S. Department of the Treasury and state taxing authorities. Changes to the tax laws, regulations and administrative interpretations, which may have retroactive application, could adversely affect us. In addition, some of these changes could have a more significant impact on us as compared to other REITs due to the nature of our business and our substantial use of TRSs, particularly non-U.S. TRSs.

We could incur adverse tax consequences if we fail to integrate an acquisition target in compliance with the requirements to qualify for taxation as a REIT.

We periodically explore and occasionally consummate merger and acquisition transactions. When we consummate these transactions, we structure the acquisition to successfully manage the REIT income, asset, and distribution tests that we must satisfy. We believe that we have and will in the future successfully integrate our acquisition targets in a manner that has and will allow us to timely satisfy the REIT tests applicable to us, but if we failed or in the future fail to do so, then we could jeopardize or lose our qualification for taxation as a REIT, particularly if we were not eligible to utilize relief provisions set forth in the Code.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosure

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

Exhibit Number	Exhibit Description	Incorporated by Reference			Filed Herewith
		Form	Filing Date/ Period End Date	Exhibit	
2.1	Rule 2.7 Announcement, dated as May 29, 2015. Recommended Cash and Share Offer for Telecity Group plc by Equinix, Inc.	8-K	5/29/2015	2.1	
2.2	Cooperation Agreement, dated as of May 29, 2015, by and between Equinix, Inc. and Telecity Group plc.	8-K	5/29/2015	2.2	
2.3	Amendment to Cooperation Agreement, dated as of November 24, 2015, by and between Equinix, Inc. and Telecity Group plc.	10-K	12/31/2015	2.3	
2.4	Transaction Agreement, dated as of December 6, 2016, by and between Verizon Communications Inc. and Equinix, Inc.	8-K	12/6/2016	2.1	
2.5	Amendment No. 1 to the Transaction Agreement, dated February 23, 2017, by and between Verizon Communications Inc. and Equinix, Inc.	10-K	12/31/2016	2.5	
2.6	Amendment No.2 to the Transaction Agreement, dated April 30, 2017, by and between Verizon Communications Inc. and Equinix, Inc.	8-K	5/1/2017	2.1	
2.7	Amendment No.3 to the Transaction Agreement, dated June 29, 2018, by and between Verizon Communications Inc. and Equinix, Inc.	10-Q	8/8/2018	2.7	
3.1	Amended and Restated Certificate of Incorporation of the Registrant, as amended to date.	10-K/A	12/31/2002	3.1	
3.2	Certificate of Amendment to the Amended and Restated Certificate of Incorporation of the Registrant.	8-K	6/14/2011	3.1	
3.3	Certificate of Amendment to the Amended and Restated Certificate of Incorporation of the Registrant.	8-K	6/11/2013	3.1	
3.4	Certificate of Amendment to the Amended and Restated Certificate of Incorporation of the Registrant.	10-Q	6/30/2014	3.4	
3.5	Certificate of Designation of Series A and Series A-1 Convertible Preferred Stock.	10-K/A	12/31/2002	3.3	
3.6	Amended and Restated Bylaws of the Registrant.	8-K	3/29/2016	3.1	
4.1	Reference is made to Exhibits 3.1, 3.2, 3.3, 3.4, 3.5 and 3.6.				
4.2	Indenture, dated as of November 20, 2014, between Equinix, Inc. and U.S. Bank National Association as trustee.	8-K	11/20/2014	4.1	

4.3	First Supplemental Indenture, dated as of November 20, 2014, between Equinix, Inc. and U.S. Bank National Association, as trustee.	8-K	11/20/2014	4.2
4.4	Form of 5.375% Senior Note due 2022 (see Exhibit 4.3).			
4.5	Third Supplemental Indenture, dated as of December 4, 2015, between Equinix, Inc. and U.S. Bank National Association, as trustee.	8-K	12/4/2015	4.2
4.6	Form of 5.875% Senior Note due 2026 (see Exhibit 4.5).			
4.7	Fourth Supplemental Indenture, dated as of March 22, 2017 between Equinix, Inc. and U.S. Bank National Association, as trustee.	8-K	3/22/2017	4.2
4.8	Form of 5.375% Senior Notes due 2027 (see Exhibit 4.7).			
4.9	Fifth Supplemental Indenture, dated as of September 20, 2017 among Equinix, Inc. and U.S. Bank National Association, as trustee, and Elavon Financial Services DAC, UK Branch, as paying agent.	8-K	9/20/2017	4.2
4.10	Form of 2.875% Senior Notes due 2025 (see Exhibit 4.9).			
4.11	Indenture, dated as of December 12, 2017, between Equinix, Inc. and U.S. Bank National Association, as trustee.	8-K	12/5/2017	4.1
4.12	Supplemental Indenture, dated as of December 12, 2017, among Equinix, Inc. and U.S. Bank National Association, as trustee, and Elavon Financial Services DAC, UK Branch, as paying agent.	8-K	12/5/2017	4.2
4.13	Form of 2.875% Senior Notes due 2026 (see Exhibit 4.12).			
4.14	Second Supplemental Indenture, dated as of March 14, 2018, among Equinix, Inc. and U.S. Bank National Association, as trustee, and Elavon Financial Services DAC, UK Branch, as paying agent.	8-K	3/14/2018	4.2
4.15	Form of 2.875% Senior Notes due 2024 (see Exhibit 4.14).			
4.16	Third Supplemental Indenture, dated as of April 2, 2018, among Equinix, Inc. and U.S. Bank National Association, as trustee.	8-K	4/3/2018	4.2
4.17	Form of 5.00% Senior Notes due April 2020 (see Exhibit 4.16).			
4.18	Form of 5.00% Senior Notes due October 2020 (see Exhibit 4.16).			
4.19	Form of 5.00% Senior Notes due April 2021 (see Exhibit 4.16).			
4.20	Fourth Supplemental Indenture, dated as of November 18,2019, among Equinix, Inc and U.S. Bank National Association, as trustee.	8-K	11/18/2019	4.2
4.21	Form of 2.625% Senior Notes due 2024 (See Exhibit 4.20).			

4.22	Fifth Supplemental Indenture, dated as of November 18, 2019, among Equinix, Inc. and U.S. Bank National Association, as trustee.	8-K	11/18/2019	4.4
4.23	Form of 2.900% Senior Notes due 2026 (See Exhibit 4.22).			
4.24	Sixth Supplemental Indenture, dated as of November 18, 2019, among Equinix, Inc. and U.S. Bank National Association, as trustee.	8-K	11/18/2019	4.6
4.25	Form of 3.200% Senior Notes due 2029 (See Exhibit 4.24)			
4.26	Form of Registrant's Common Stock Certificate.	10-K	12/31/2014	4.13
4.27	Description of Securities.	10-K	12/31/2019	4.31
10.1**	Form of Indemnification Agreement between the Registrant and each of its officers and directors.	S-4 (File No. 333-93749)	12/29/1999	10.5
10.2**	2000 Equity Incentive Plan, as amended.	10-K	12/31/2016	10.2
10.3**	2000 Director Option Plan, as amended.	10-K	12/31/2016	10.3
10.4**	2001 Supplemental Stock Plan, as amended.	10-K	12/31/2016	10.4
10.5**	Equinix, Inc. 2004 Employee Stock Purchase Plan, as amended.	10-Q	6/30/2014	10.5
10.6**	Switch & Data 2007 Stock Incentive Plan.	S-1/A (File No. 333-137607) filed by Switch & Data Facilities Company	2/5/2007	10.9
10.7**	Repatriation Agreement by and between Equinix, Inc. and Eric Schwartz dated June 5.	10-Q	6/30/2019	10.17
10.8**	2017 Form of Revenue/AFFO Restricted Stock Unit Agreement for Executives.	10-Q	3/31/2017	10.35
10.9**	2017 Form of TSR Restricted Stock Unit Agreement for Executives.	10-Q	3/31/2017	10.36
10.10**	2017 Form of Time-Based Restricted Stock Unit Agreement for Executives.	10-Q	3/31/2017	10.37
10.11**	2018 Form of Revenue/AFFO Restricted Stock Unit Agreement for Executives.	10-Q	3/31/2018	10.31
10.12**	2018 Form of TSR Restricted Stock Unit Agreement for Executives.	10-Q	3/31/2018	10.32
10.13**	2018 Form of Time-Based Restricted Stock Unit Agreement for Executives.	10-Q	3/31/2018	10.33
10.14**	2019 Equinix, Inc. Annual Incentive Plan.	10-Q	3/31/2019	10.28
10.15**	2019 Form of Revenue/AFFO per Share Restricted Stock Unit Agreement for Executives.	10-Q	3/31/2019	10.29
10.16**	2019 Form of TSR Restricted Stock Unit Agreement for Executives.	10-Q	3/31/2019	10.30

10.17**	2019 Form of Time-Based Restricted Stock Unit Agreement for Executives.	10-Q	3/31/2019	10.31	
10.18**	2020 Equinix, Inc. Annual Incentive Plan.				X
10.19**	2020 Form of Revenue/AFFO per Share Restricted Stock Unit Agreement for Executives.				X
10.20**	2020 Form of TSR Restricted Stock Unit Agreement for Executives.				X
10.21**	2020 Form of Time-Based Restricted Stock Agreement for Executives.				X
10.22	Agreement for Purchase and Sale of Shares Among RW Brasil Fundo de Investimentos em Participação, Antônio Eduardo Zago De Carvalho and Sidney Victor da Costa Breyer, as Sellers, and Equinix Brasil Participaçãoes Ltda., as Purchaser, and Equinix South America Holdings LLC., as a Party for Limited Purposes and ALOG Soluções de Tecnologia em Informática S.A. as Intervening Consenting Party dated July 18, 2014.	10-Q	9/30/2014	10.67	
10.23	Share Purchase Agreement with Digital Realty Trust, L.P., relating to the sale and purchase of shares in TelecityGroup UK LON Limited, Telecity Netherlands AMS01 AMS04 BV, Equinix Real Estate (TCY AMS04) B.V. and TelecityGroup Germany Fra2 GmbH, dated May 14, 2016.	10-Q	6/30/2016	10.55	
10.24	Credit Agreement dated as of December 12, 2017 among Equinix, Inc. as Borrower, The Guarantors Parties (defined therein), Bank of America, N.A., as Administrative Agent, Lender and L/C issuer, Barclays Bank PLS, Goldman Sachs Bank USA, HSBC Securities (USA) Inc. ING Capital LLC, TD Securities (USA) LLC, and Wells Fargo Bank, National Association as Co-Documentation Agents, the Other Lenders Party (defined therein) and Bank of America, N.A., Citibank, N.A., JPMorgan Chase Bank, N.A., MUFG, and RBC Capital Markets as Joint Lead Arrangers and Joint Book Runners.	10-K	12/31/2017	10.40	
10.25	Consent and First Amendment to Credit Agreement, dated as of June 28, 2018 by and among Equinix, Inc. as Borrower, the Guarantors (defined therein), the Lenders (as such term is defined in the Credit Agreement referred to therein), and BANK OF AMERICA, N.A., as Administrative Agent.	10-Q	8/8/2018	10.35	
10.26	Second Amendment to Credit Agreement, dated as of July 26, 2018, by and between Equinix, Inc. as Borrower, the financial institutions defined therein, MUFG Bank, Ltd., as Technical Agent and Bank of America, N.A. as Administrative Agent, under that certain Credit Agreement dated December 12, 2017.	10-Q	8/8/2018	10.36	

10.27	Third Amendment to Credit Agreement, dated as of April 26, 2019, by and among Equinix, Inc., Delaware corporation ("Equinix" or the "Borrower"), each "Lender" (as such term is defined in the Credit Agreement referred to therein) party hereto, and BANK OF AMERICA, N.A., as Administrative Agent, under that certain Credit Agreement dated December 12, 2017.	10-Q	6/30/2019	10.34
10.28**	Relocation Letter Agreement by and between Equinix, Inc. and Charles Meyers dated October 12, 2018.	10-K	2/22/2019	10.37
10.29**	Change in Control Severance Agreement between Equinix, Inc and Mike Campbell dated October 3, 2019.	10-Q	9/30/2019	10.25
10.30**	Change in Control Severance Agreement between Equinix, Inc and Brandi Galvin Morandi dated October 3, 2019.	10-Q	9/30/2019	10.26
10.31**	Change in Control Severance Agreement between Equinix, Inc and Karl Strohmeyer dated October 3, 2019.	10-Q	9/30/2019	10.27
10.32**	Change in Control Severance Agreement between Equinix, Inc and Peter Van Camp dated October 3, 2019.	10-Q	9/30/2019	10.28
10.33**	Change in Control Severance Agreement between Equinix, Inc and Charles Meyers dated October 4, 2019.	10-Q	9/30/2019	10.29
10.34**	Change in Control Severance Agreement between Equinix, Inc and Eric Schwartz dated October 3, 2019.	10-Q	9/30/2019	10.30
10.35**	Change in Control Severance Agreement between Equinix, Inc and Keith Taylor dated October 3, 2019.	10-Q	9/30/2019	10.31
10.36**	Change in Control Severance Agreement between Equinix, Inc and Sara Baack dated October 3, 2019.	10-Q	9/30/2019	10.32
10.37**	Side Letter Agreement Regarding RSUs between Equinix, Inc. and Sara Baack dated October 3, 2019.	10-Q	9/30/2019	10.33
10.38**	Side Letter Agreement Regarding RSUs between Equinix, Inc. and Charles Meyers dated October 4, 2019.	10-Q	9/30/2019	10.34
10.39**	Side Letter Agreement Regarding RSUs between Equinix, Inc. and Eric Schwartz dated October 3, 2019.	10-Q	9/30/2019	10.35
10.40**	Side Letter Agreement Regarding RSUs between Equinix, Inc. and Keith Taylor dated October 3, 2019.	10-Q	9/30/2019	10.36
10.41**	Side Letter Agreement Regarding RSUs between Equinix, Inc. and Mike Campbell dated October 3, 2019.	10-Q	9/30/2019	10.37
10.42**	Side Letter Agreement Regarding RSUs between Equinix, Inc. and Brandi Galvin Morandi dated October 3, 2019.	10-Q	9/30/2019	10.38

10.43**	Side Letter Agreement Regarding RSUs between Equinix, Inc. and Karl Strohmeyer dated October 3, 2019.	10-Q	9/30/2019	10.39	
10.44**	Side Letter Agreement Regarding RSUs between Equinix, Inc. and Peter Van Camp dated October 3, 2019.	10-Q	9/30/2019	10.40	
21.1	Subsidiaries of Equinix, Inc.				X
31.1	Chief Executive Officer Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				X
31.2	Chief Financial Officer Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				X
32.1	Chief Executive Officer Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				X
32.2	Chief Financial Officer Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				X
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.				X
101.SCH	Inline XBRL Taxonomy Extension Schema Document.				X
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.				X
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.				X
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.				X
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.				X
104	Cover Page Interactive Data File - the cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.				X

** Management contracts or compensation plans or arrangements in which directors or executive officers are eligible to participate.

EQUINIX, INC.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

EQUINIX, INC.

Date: May 7, 2020

By: /s/ KEITH D. TAYLOR

Chief Financial Officer

(Principal Financial Officer)

INDEX TO EXHIBITS

Exhibit Number	Description of Document
10.18**	2020 Equinix, Inc. Annual Incentive Plan.
10.19**	2020 Form of Revenue/AFFO per Share Restricted Stock Unit Agreement for Executives.
10.20**	2020 Form of TSR Restricted Stock Unit Agreement for Executives.
10.21**	2020 Form of Time-Based Restricted Stock Unit Agreement for Executives.
21.1	Subsidiaries of Equinix, Inc.
31.1	Chief Executive Officer Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Chief Financial Officer Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Chief Executive Officer Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Chief Financial Officer Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
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101.DEF	Inline XBRL Taxonomy Extension Definition Document.
101.LAB	Inline XBRL Taxonomy Extension Labels Document.
101. PRE	Inline XBRL Taxonomy Extension Presentation Document.
104	Cover Page Interactive Data File - the cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.

** Management contracts or compensation plans or arrangements in which directors or executive officers are eligible to participate.

Exhibit 10.18

EQUINIX, INC.
2020 ANNUAL INCENTIVE PLAN
(Adopted by the Compensation Committee of the Board of Directors
of the Company on February 26, 2020)

PLAN OBJECTIVES

Equinix, Inc., a Delaware corporation (the "Company"), offers the 2020 Annual Incentive Plan, as amended from time to time (the "2020 AIP"), to eligible employees of the Company and its subsidiaries to provide them with the opportunity to participate in Company performance. It is designed to motivate employees to achieve certain Company objectives while providing competitive total rewards for key positions and retaining top talent.

CERTAIN DEFINITIONS

For purposes of the 2020 AIP, the following terms shall have the meanings specified below, unless the context clearly indicates otherwise. The singular pronoun shall include the plural where the context so indicates.

<u>AFFO</u> - "AFFO" means adjusted funds from operations.

<u>AFFO/Share</u> - "AFFO/Share" means the Company's AFFO for the year ending December 31, 2020 divided by the weighted average number of diluted shares of common stock outstanding on December 31, 2020 as set forth in the Company's audited financial statements for the year ended December 31, 2020.

<u>Applicable Accounting Standards</u> - "Applicable Accounting Standards" means Generally Accepted Accounting Principles in the United States, International Financial Reporting Standards or such other accounting principles or standards as may apply to the Company's financial statements under United States federal securities laws from time to time.

<u>Base Salary</u> - "Base Salary" shall mean, for a Participant other than Executive Staff, the Participant's total base salary paid during the Performance Period, and for a Participant who is Executive Staff, the base salary rate that is approved by the Committee for the Participant with respect to the Performance Period.

<u>Bonus Award</u> - "Bonus Award" means a bonus award granted pursuant to the 2020 AIP entitling the Participant to cash, shares of Common Stock, or RSUs under the Equity Incentive Plan upon attainment of the Performance Goals and the satisfaction of the other terms and conditions set forth herein and in accordance with the provisions of the 2020 AIP.

<u>Bonus Award Payment</u> - "Bonus Award Payment" means the amount payable to a Participant with respect to the Participant's Bonus Award, as determined by the Committee in accordance with the section of the 2020 AIP with the heading "Payment of Awards."

<u>Bonus Target</u> - "Bonus Target" means a percentage of a Participant's Base Salary established by the Committee.

<u>Bonus Target Amount</u> - "Bonus Target Amount" means an amount equal to the product of (a) the Participant's Base Salary, multiplied by (b) the Participant's Bonus Target.

<u>Code</u> - "Code" means the Internal Revenue Code of 1986, as amended.

<u>Committee</u> - "Committee" means the Compensation Committee with respect to the administration of the 2020 AIP with respect to Participants who are Executive Staff and means a committee consisting of the Chief Executive Officer of the Company with respect to Participants who are not Executive Staff.

<u>Compensation Committee</u> - "Compensation Committee" means the Compensation Committee of the Board of Directors of the Company.

<u>Common Stock</u> - "Common Stock" means the common stock, par value $0.001 per share, of the Company.

<u>Eligible Individual</u> - "Eligible Individual" has the meaning ascribed to such term under the heading "Eligibility/Participation; Eligible Employee.

<u>Equity Incentive Plan</u> - "Equity Incentive Plan" means the Equinix, Inc. 2000 Equity Incentive Plan, as amended, or any successor plan thereto.

Executive Staff - “Executive Staff” means an Eligible Individual who has been designated by the Compensation Committee as a member of the Executive Staff.

Maximum Goal Factor. “Maximum Goal Factor” means a percentage established by the Committee with respect to a Bonus Award and Performance Period, and representing the maximum percentage that may be determined to have been attained as a Performance Goal Attainment Factor.

Participant - “Participant” means an Eligible Individual selected by the Committee to be granted a Bonus Award hereunder.

Participation Period Factor - “Participation Period Factor” means a fraction, the numerator of which is the number of days the Participant was actively employed with the Company (or Company subsidiary) during the Performance Period or employed in a specified position, as applicable, and the denominator of which is the number of days contained in the Performance Period. The Committee, in its sole discretion, may adjust the Participation Period Factor.

Performance Criteria - “Performance Criteria” means any criteria that the Committee determines in its sole discretion, including, without limitation, individual performance or, with respect to the Company, a subsidiary of the Company, or any business unit thereof, any one or more or any combination of the following: AFFO, AFFO/Share, net earnings or net income (before or after taxes), operating income, earnings per share, net sales or revenue growth, adjusted net income, net operating profit or income, return measures (including, but not limited to, return on assets, capital, invested capital, equity, sales, or revenue), cash flow (including, but not limited to, operating cash flow, free cash flow, cash flow return on equity, and cash flow return on investment), earnings before or after taxes, interest, depreciation, and/or amortization, gross or operating margins, productivity ratios, share price (including, but not limited to, growth measures and total stockholder return), cost control, margins, operating efficiency, market share, customer satisfaction or employee satisfaction, working capital, management development, succession planning, taxes, depreciation and amortization or economic value added.

Performance Period - “Performance Period” means the fiscal year of the Company over which attainment of one or more Performance Goals will be measured for the purpose of determining a Participant’s right to, and payment of, a Bonus Award. For purposes of the 2020 AIP, the Performance Period will begin on January 1, 2020 and end on December 31, 2020. The Committee, in its sole discretion, may adjust the duration of the Performance Period at any time before the term of the originally established Performance Period has expired.

Performance Goal - “Performance Goal” has the meaning ascribed to such term under the heading “Bonus Awards; Performance Goals.”

Performance Goal Attainment Factor - “Performance Goal Attainment Factor” means a percentage ranging from 0% to the Maximum Goal Factor representing the rate at which the Performance Goals have been attained as determined by the Committee.

RSUs - “RSUs” mean restricted stock units under the Equity Incentive Plan, which shall be fully vested upon their date of grant and shall be paid in shares of the Company’s Common Stock pursuant to the “Timing of Payment” and other provisions of the section below with the heading “Payment of Awards.” For avoidance of doubt, for purposes of Bonus Awards payable in RSUs, payment of the Bonus Award hereunder shall mean grant and payment of such RSUs in the form of Common Stock.

Tax-Related Items - “Tax-Related Items” means all income tax (including U.S. federal, state and local tax and/or non-U.S. tax), social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to a Participant’s participation in the 2020 AIP and legally applicable to the Participant.

U.S. Senior Staff - “U.S. Senior Staff” means U.S. senior staff at level Senior Director and above in such roles at the end of the first quarter of fiscal 2020.

ELIGIBILITY/PARTICIPATION

Eligible Employees. The Committee, in its sole discretion, may grant a Bonus Award relating to a given Performance Period to one or more individuals meeting the requirements set forth in this section, as the Committee selects (“Eligible Employees”). All full-time and part-time employees of the Company and employees of the Company’s subsidiaries other than commissioned sales employees and employees participating in Management by Objectives Plans are eligible to be selected to receive a grant of a Bonus Award under the 2020 AIP. Employees who are new hires are eligible to be selected to participate in the 2020 AIP as of their hire date, except that an employee with a start date on or after October 1st (or such other date established by the Committee at the commencement of the Performance Period) following the commencement of the Performance Period will not be eligible to participate in the 2020 AIP with respect to the ongoing Performance Period. If Participant begins employment with the Company following the commencement of the Performance Period, the amount of a Bonus Award Payment, if any, that becomes payable will be pro-rated by multiplying the Bonus Award Payment by the Participation Period Factor. Eligibility to receive a Bonus Award under the 2020 AIP does not guarantee that the eligible individual will actually receive a Bonus Award. Participation in the 2020 AIP does not imply nor guarantee participation in any future annual incentive plans.

Bonus Award Payment Eligibility Requirements. To be eligible to receive the payment of a Bonus Award, a Participant must be employed by the Company or a participating subsidiary on the date when the Bonus Award is paid pursuant to the section below with the heading "Payment of Awards."

A Participant may be eligible to receive a pro-rated Bonus Award in the event of the Participant's death, disability or approved leave of absence. In the case of a deceased Participant, such Bonus Award will be paid to the Participant's estate.

BONUS AWARDS

Award Terms. At the time a Bonus Award is granted pursuant to this section, the Committee shall specify (a) the Participant's Bonus Target, (b) the Maximum Goal Factor that may be attained upon the achievement of the Performance Goals established hereunder, (c) the Performance Goal and any applicable adjustments and (d) a performance incentive pool amount, if any. A Participant's Bonus Target may be modified from time to time, for example, due to changes in the Company's financials or salary changes, until the end of the Performance Period.

Performance Goals. For the 2020 AIP, the Performance Goals, which will be based on the following two criteria, will be established prior to the end of the first quarter of the Performance Period by the Compensation Committee based on the operating plan approved by the Board for the Performance Period (the "Operating Plan"):

- Revenue
- AFFO/Share

Each Performance Goal will be weighted equally for purposes of determining the amount payable under the Bonus Award.

The AIP links directly to the GPS Performance system. Bonus Awards are linked to a Participant's impact and value, and are intended to reward achievement of key results at both the Company and individual level. A Participant's performance will also be measured by a talent assessment and calibration process. Executive Staff are capped at 100% of their Bonus Target. All other Participants may receive between 0% and 150% of their Bonus Target based upon the attainment of the Performance Goals. The degree to which a Participant achieves his/her Bonus Target amount (e.g., less than, equal to, or greater than the Bonus Target amount) represents the degree to which both the Participant and the Company achieve the Performance Goals.

Adjustments to Performance Goal Attainment. The Committee, in its sole discretion, may provide that one or more objectively determinable adjustments shall be made to the determination of the attainment of one or more of the Performance Goals. Such adjustments may include, but are not limited to, one or more of the following: (i) items related to a change in Applicable Accounting Standards; (ii) items relating to financing activities; (iii) expenses for restructuring or productivity initiatives; (iv) other non-operating items; (v) items related to acquisitions or joint ventures; (vi) items attributable to the business operations of any entity acquired by the Company during the Performance Period; (vii) items related to the sale or disposition of a business or segment of a business; (viii) items related to discontinued operations that do not qualify as a segment of a business under Applicable Accounting Standards; (ix) items attributable to any stock dividend, stock split, combination or exchange of stock occurring during the Performance Period; (x) any other items of significant income or expense which are determined to be appropriate adjustments; (xi) items relating to unusual or extraordinary corporate transactions, events or developments, (xii) items related to amortization of acquired intangible assets; (xiii) items that are outside the scope of the Company's core, on-going business activities; (xiv) items related to acquired in-process research and development; (xv) items relating to changes in tax laws; (xvi) items relating to major licensing or partnership arrangements; (xvii) items relating to asset impairment charges; (xviii) items relating to gains or losses for litigation, arbitration and contractual settlements; (xix) items attributable to expenses incurred in connection with a reduction in force or early retirement initiative; (xx) items relating to foreign exchange or currency transactions and/or fluctuations; or (xxi) items relating to any other unusual, infrequently occurring or nonrecurring events or changes in applicable law or business conditions. The Committee may make such adjustments to the determination of attainment of one or more of the Performance Goals as the Committee in its sole discretion deems appropriate.

Adjustments for Changes in Employment Position. The amount of a Bonus Award will be pro-rated based on the number of days a Participant serves in a given position during the Performance Period. For example, if a Participant is promoted from Senior Manager to Director, the amount of his/her Bonus Award will be calculated based upon the number of days the Participant served in each position. As another example, if a Participant is promoted from a non-commissioned position to a commissioned sales position, the amount of his/her Bonus Award will be pro-rated based on the number of days worked in a non-commissioned position. If, in connection with a Participant's change in employment positions, the Bonus Target allocated to the new position is different than the Bonus Target allocated to the former position, then the amount of the Bonus Award

Payment, if any, that becomes payable will be equal to the sum of (a) the Bonus Award Payment calculated based on the Bonus Target applicable prior to the change in the employment position, multiplied by the Participation Period Factor, plus (b) the Bonus Award Payment calculated based on the Bonus Target applicable following the change in the employment position, multiplied by the Participation Period Factor.

Determining Performance. For the 2020 AIP, the aggregate amount that becomes payable under a Bonus Award with respect to each Performance Goal will be determined based on the tables below. Values between levels identified will be interpolated based on a line between the two nearest identified points. For instance, if the attainment of the AFFO/Share Performance Goal is 98% of the target level performance, 60% of the amount that becomes payable with respect to the AFFO/Share Performance Goal based on attainment at the target level will become payable.

Metric	Weighting	Determination	Threshold	Target/Max
		Performance	95%	100%
Revenue	50%	Payout	0%	100%

Metric	Weighting	Determination	Threshold	Target	Max
AFFO/Share	50%	Performance	95%	100%	103%
		Payout	0%	100%	140%

Minimum Goals. No Bonus Award will become payable if either of the Performance Goals are attained at 95% of target or a lower level.

PAYMENT OF AWARDS

Performance Goal Attainment Factor Determination. Following the completion of the Performance Period, the Committee shall determine whether the applicable Performance Goals were achieved for the Performance Period and the Performance Goal Attainment Factor with respect to such Bonus Award in its sole discretion.

Performance Goal Attainment Factor Modifications. In determining the amount payable to a Participant with respect to the Participant's Bonus Award, the Committee shall retain its sole discretion to modify the Performance Goal Attainment Factors (resulting in a reduction, an increase, or elimination (including to zero) of, the amount otherwise payable to the Participant under the Bonus Award) to take into account recommendations of the Chief Executive Officer of the Company or additional factors including factors, if any, that the Committee may deem relevant to the assessment of individual or corporate performance for the Performance Period.

Timing of Payment. Unless otherwise determined by the Committee, the Bonus Award shall be paid as soon as practicable after the Committee determines that the Performance Goals specified for such Bonus Award were in fact satisfied. It is intended that payment will be made no later than required to ensure that no amount paid or to be paid hereunder shall be subject to the provisions of Section 409A(a)(1)(B) of the Code and all payments are intended to be eligible for the short-term deferral exception to Section 409A of the Code.

Form of Payment; Tax Withholding.

Payments to U.S. Senior Staff. Each Bonus Award to a U.S. Senior Staff member shall be paid in the form of RSUs under the Equity Incentive Plan, with the number of RSUs granted equal to the Bonus Award Payment otherwise payable to such individual hereunder (in U.S. dollars) divided by the closing price of the Company's Common Stock on the date of payment of the Bonus Award (rounded down to the nearest whole number of RSUs), and subject to all required Tax-Related Items withholding upon payment of such RSUs in accordance with the "Timing of Payment" provisions above.

Payments to All Other Staff. Each Bonus Award to a Participant who is not a U.S. Senior Staff member shall be paid in cash in a single lump sum. The Company shall withhold all required Tax-Related Items from the Bonus Award Payment. The Bonus Award Payment will be determined by the Company in U.S. dollars, but may be paid to Participants outside the United States in local currency, following conversion of the amount payable using an exchange rate selected by the Company, in its sole discretion. Alternatively, the Bonus Award may be paid in the form of Common Stock or in a combination of cash and Common Stock, as determined by the Committee. Bonus Award Payments made in Common Stock shall be made in accordance with the provisions of the Equity Incentive Plan.

Employment Terminations. If a Participant's employment with the Company (or any of its subsidiaries, as applicable) is terminated for any reason other than death or disability prior to payment of any Bonus Award Payment, all of the Participant's rights under the 2020 AIP shall terminate and the Participant shall not have any right to receive any further payments with respect to any Bonus Award granted under the 2020 AIP.

PLAN ADMINISTRATION

Committee. The 2020 AIP shall be administered by the Compensation Committee of the Board with respect to Participants who are Executive Staff and shall be administered by a committee consisting of the Chief Executive Officer with respect to Participants who are not Executive Staff.

Duties and Powers of Committee. It shall be the duty of the Committee to conduct the general administration of the 2020 AIP in accordance with its provisions. The Committee shall have the power to interpret the 2020 AIP, and to adopt such rules for the administration, interpretation and application of the 2020 AIP as are consistent therewith and to interpret, amend or revoke any such rules. In its absolute discretion, the Board may at any time and from time to time exercise any and all rights and duties of the Committee under the 2020 AIP.

Determinations of the Committee or the Board. All actions taken and all interpretations and determinations made by the Committee or the Board shall be final and binding upon all Participants, the Company and all other interested persons. No members (or former members) of the Committee or the Board shall be personally liable for any action, inaction, determination or interpretation made in good faith with respect to the 2020 AIP or any Bonus Award, and all members of the Committee and the Board shall be fully protected by the Company in respect of any such action, determination or interpretation.

AMENDMENT, SUSPENSION OR TERMINATION OF 2020 AIP

The 2020 AIP is discretionary in nature, and the Committee (or the Board) may suspend, modify or terminate the 2020 AIP at any time or from time to time without advance notice.

The 2020 AIP is a statement of the Committee's intentions and does not constitute a guarantee that any particular amount of compensation or bonus will be paid. It does not create a contractual relationship or any contractually enforceable rights between the Company and any Participant.

MISCELLANEOUS

Recovery of Erroneously Awarded Compensation. If the Participant is now or is hereafter subject to the Company's Policy on Recoupment of Incentive Compensation (the "Compensation Recoupment Policy"), any similar policy providing for the recovery of Bonus Awards, proceeds, or payments to a Participant in the event of fraud or as required by applicable laws or governance considerations or in other similar circumstances, then this Bonus Award, and any payments therefrom, are subject to potential recovery by the Company under the circumstances set out in the Compensation Recoupment Policy or such other similar policy as in effect from time to time or as otherwise determined appropriate by the Compensation Committee.

No Employment Guarantee. Nothing in the 2020 AIP shall interfere with or limit in any way the right of the Company or its subsidiary or affiliate, as applicable, to terminate any Participant's employment or service at any time, with or without cause. Except to the extent provided by applicable law or pursuant to a written agreement between the Participant and the Company or its subsidiary or affiliate, employment with the Company or its subsidiary or affiliates is on an at-will basis only. Nothing in this 2020 AIP shall constitute or shall be construed as an employment agreement between a Participant and the Company.

General Creditor Status. Each Bonus Award that may become payable under the 2020 AIP shall be paid solely from the general assets of the Company. No amounts awarded or accrued under the 2020 AIP shall be funded, set aside, subject to interest payment or otherwise segregated prior to payment of a Bonus Award. The obligation to pay Bonus Awards under the 2020 AIP shall at all times be an unfunded and unsecured obligation of the Company. Participants shall have the status of general creditors of the Company. Any Bonus Award payable under the 2020 AIP is voluntary and occasional and does not create any contractual or other right to receive grants in future years or benefits in lieu of such awards.

Governing Law; Venue. The 2020 AIP and all Bonus Awards shall be construed in accordance with and governed by the laws of the State of California, without regard to their conflict-of-law provisions or principles that might otherwise refer construction or interpretation of the 2020 AIP to the substantive law of another jurisdiction. Unless otherwise provided in a Bonus Award, recipients of a Bonus Award under the 2020 AIP are deemed to submit to the exclusive jurisdiction and venue of the Federal or state courts of the State of California, to resolve any and all issues that may arise out of or relate to the 2020 AIP or any related Bonus Award.

Not Pensionable Salary. Any payment for Bonus Awards made under the 2020 AIP will not form part of a Participant's pensionable salary.

Nonalienation of Benefits. Except as expressly provided herein, no Participant or his beneficiaries shall have the power or right to transfer, anticipate, or otherwise encumber the Participant's interest under the 2020 AIP. The provisions of the 2020 AIP shall inure to the benefit of each Participant and his beneficiaries, heirs, executors, administrators or successors in interest.

Severability. If any provision of this 2020 AIP is held invalid or unenforceable, the invalidity or unenforceability shall not affect the remaining parts of the 2020 AIP, and the 2020 AIP shall be enforced and construed as if such provision had not been included.

Language. If the Participant has received this 2020 AIP or any other document related to the 2020 AIP translated into a language other than English and if the translated version is different from the English version, the English version will control, unless otherwise prescribed by local law.

No Advice Regarding Bonus Award. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Participant's participation in the 2020 AIP. The Participant should consult with his or her own personal tax, legal and financial advisors regarding participation in the 2020 AIP before taking any action related to the 2020 AIP.

Section 409A. This 2020 AIP may be amended at any time, without the consent of any party, to avoid the application of Section 409A of the Code in a particular circumstance or that is necessary or desirable to satisfy any of the requirements under Section 409A of the Code, but the Company shall not be under any obligation to make any such amendment. Nothing in the 2020 AIP shall provide a basis for any person to take action against the Company or any subsidiary or affiliate based on matters covered by Section 409A of the Code, including the tax treatment of any amount paid or Bonus Award made under the 2020 AIP, and neither the Company nor any of its subsidiaries or affiliates shall under any circumstances have any liability to any Participant or his estate or any other party for any taxes, penalties or interest due on amounts paid or payable under the 2020 AIP, including taxes, penalties or interest imposed under Section 409A of the Code.

Effective Date. The 2020 AIP shall be effective as of January 1, 2020 (the "Plan Effective Date"). The Committee may grant Bonus Awards at any time on or after the Plan Effective Date.

Exhibit 10.19

Equinix, Inc. 2000 Equity Incentive Plan

Notice of Restricted Stock Unit Award
For Executives

You have been granted the number of restricted stock units ("***Restricted Stock Units***") indicated below by Equinix, Inc. (the "***Company***") on the following terms:

Name:
Employee Id #:
Restricted Stock Unit Award Details:

Date of Grant:
Award Number:
Minimum Restricted Stock Units (0%):
Target Restricted Stock Units (100%):
Max Restricted Stock Units (120%):

Each Restricted Stock Unit represents the right to receive one share of the Common Stock of the Company, and any Dividend Equivalents thereon prior to settlement, subject to the terms and conditions contained in this Notice of Restricted Stock Unit Award for Executives and the Restricted Stock Unit Agreement (together, the " ***Agreement***"). Capitalized terms not otherwise defined in this Agreement shall have the meaning set forth in the 2000 Equity Incentive Plan (the "***Plan***").

Vesting Schedule:

Vesting is dependent upon continuous active service as an employee, consultant or director of the Company or a subsidiary of the Company ("***Service***") throughout the vesting period. The Restricted Stock Units shall become eligible to vest upon a determination by the Board or Committee that the Company has achieved revenue and/or AFFO/Share goals for 2020 (the "***Performance Goals***") of greater than $_____ million and/or $_____ per share, respectively, as set forth on the attached Exhibit A, and if achieved, then the Restricted Stock Units, and any Dividend Equivalents thereon, shall vest in a number of shares determined based on the degree of achievement of the revenue and AFFO/Share targets as set forth on the matrix attached as Exhibit A, and at the following times:

- with respect to 50% of those units on the date upon which the Board or Committee certifies that the Company has achieved revenue and/or AFFO/Share goals of greater than $_____ million and/or $_____ per share, respectively, for 2020;
- with respect to 25% of those units on February 15, 2022; and
- with respect to the remaining 25% of those units on February 15, 2023.

For purposes of this Agreement, AFFO/Share means the Company's adjusted funds from operations ("***AFFO***") for the year ending December 31, 2020 divided by the weighted average number of diluted shares of common stock outstanding on December 31, 2020 as set forth in the Company's audited financial statements for the year ended December 31, 2020.

The Board or Committee, in its sole discretion, may provide that one or more objectively determinable adjustments shall be made to the determination of the attainment of one or more of the Performance Goals. Such adjustments may include, but are not limited to, one or more of the following: (i) items related to a change in Applicable Accounting Standards; (ii) items relating to financing activities; (iii) expenses for restructuring or productivity initiatives; (iv) other non-operating items; (v) items related to acquisitions or joint ventures; (vi) items attributable to the business operations of any entity acquired by the Company during the Performance Period; (vii) items related to the sale or disposition of a business or segment of a business; (viii) items related to discontinued operations that do not qualify as a segment of a business under Applicable Accounting Standards; (ix) items attributable to any stock dividend, stock split, combination or exchange of stock occurring during the Performance Period; (x) any other items of significant income or expense which are determined to be appropriate adjustments; (xi) items relating to unusual or extraordinary corporate transactions, events or developments, (xii) items related to amortization of acquired intangible assets; (xiii) items that are outside the scope of the Company's core, on-going business activities; (xiv) items related to acquired in-process research and development; (xv) items relating to changes in tax laws; (xvi) items relating to major licensing or partnership arrangements; (xvii) items relating to asset impairment charges; (xviii) items relating to gains or losses for litigation, arbitration and contractual settlements; (xix) items attributable to expenses incurred in connection with a reduction in force or early retirement initiative; (xx) items relating to foreign exchange or currency transactions and/or fluctuations; or (xxi) items relating to any other unusual, infrequently occurring or nonrecurring events or changes in applicable law or business conditions. The Board or Committee may make such adjustments to the determination of attainment of one or more of the Performance Goals as the Board or Committee in its sole discretion deems appropriate.

Any Restricted Stock Units, and Dividend Equivalents thereon, that fail to vest based on the Company's achievement of revenue and AFFO goals based on the matrix set forth on Exhibit A hereto shall be forfeited to the Company immediately following the certification by the Board or Committee of the Company's achievement of the revenue and AFFO/Share goals for 2020.

In the event of a Change in Control before the end of the 2020 fiscal year, vesting of these Restricted Stock Units, and any Dividend Equivalent thereon, shall no longer be dependent on achievement of the revenue and AFFO/Share goals described above. Instead, subject to your continued Service through the applicable vesting date, 50% of the Target Restricted Stock Units, and any Dividend Equivalent thereon, will vest on February 15, 2020, 25% of the Target Restricted Stock Units, and any Dividend Equivalent thereon, will vest on February 15, 2021 and the remaining 25% of the Target Restricted Stock Units, and any Dividend Equivalent thereon, will vest on February 15, 2022. The remaining Restricted Stock Units, and any Dividend Equivalents thereon, shall be forfeited to the Company (and such forfeited Restricted Stock Units, and any Dividend Equivalents thereon, will not accelerate in the event this Award is not assumed or substituted with a new award).

By your signature and the signature of the Company's representative below, you and the Company agree that the Restricted Stock Units, and any Dividend Equivalents thereon, are granted under and governed by the terms and conditions of the Plan and the Agreement that is attached to and made a part of this document.

You further agree that the Company may deliver by email all documents relating to the Plan or this Award (including, without limitation, prospectuses required by the U.S. Securities and Exchange Commission) and all other documents that the Company is required to deliver to its security holders (including, without limitation, annual reports and proxy statements). You also agree that the Company may deliver these documents by posting them on a web site maintained by the Company or by a third party under contract with the Company. If the Company posts these documents on a web site, it will notify you by email.

By your signature below, you further agree to cover all Tax-Related Items as defined in the Agreement.

Recipient: **Equinix, Inc.**

Signature: ___ By: /s/ Charles Meyers

Print Name: ___ Title: CEO & President

Date: ______________________________________

Equinix, Inc. 2000 Equity Incentive Plan

Restricted Stock Unit Agreement

Payment for Shares

No payment is required for the Restricted Stock Units, and any Dividend Equivalents thereon, you receive.

Vesting

The Restricted Stock Units and any Dividend Equivalents thereon, that you are receiving will vest in accordance with the Vesting Schedule stated in the Notice of Restricted Stock Unit Award for Executives; provided, however, that if your Service terminates due to your death then, if and to the extent Restricted Stock Units, and any Dividend Equivalent thereon, have been earned based on the actual performance results as certified by the Board or Committee based on the matrix set forth on Exhibit A hereto, the portion of the Restricted Stock Units, and any Dividend Equivalents thereon, that would have become vested on the next scheduled vesting date will become vested and the underlying shares (and cash equal to the Dividend Equivalents thereon) will be released to your estate not later than December 31 of the calendar year following your death.

No additional Restricted Stock Units, or any Dividend Equivalents thereon, vest after your Service has terminated for any reason other than death. It is intended that vesting in the Restricted Stock Units, and any Dividend Equivalents thereon, is commensurate with a full-time work schedule. For possible adjustments that may be made by the Company, see the provision below entitled "Leaves of Absence and Part-Time Work."

Dividend Equivalents

You will be credited with Dividend Equivalents equal to the dividends you would have received if you had been the record owner of the Common Stock underlying the Restricted Stock Units on each dividend record date on or after the Date of Grant and through the date you receive a settlement pursuant to the provision below entitled "Settlement of Units" (the "***Dividend Equivalent***"). Dividend Equivalents shall be subject to the same terms and conditions as the Restricted Stock Units originally awarded pursuant to this Agreement, and they shall vest (or, if applicable, be forfeited) as if they had been granted at the same time as the original Restricted Stock Unit award. If a dividend on the Common Stock is payable wholly or partially in Common Stock, the Dividend Equivalent representing that portion shall be in the form of additional Restricted Stock Units, credited on a one-for-one basis. If a dividend on the Common Stock is payable wholly or partially in cash, the Dividend Equivalent representing that portion shall be in the form of cash, which will be paid to you, without interest, as described below in the provision "Settlement of Units;" provided, however, that the Committee may, in its discretion, provide that the cash portion of any extraordinary distribution on the Common Stock shall be in the form of additional Restricted Stock Units. If a dividend on the Common Stock is payable wholly or partially in other than cash or Common Stock, the Committee may, in its discretion, provide for such Dividend Equivalents with respect to that portion as it deems appropriate under the circumstances.

Settlement of Units

Each Restricted Stock Unit, and any Dividend Equivalents thereon, will be settled on the first Trading Day that occurs on or after the day when the Restricted Stock Unit vests. However, each Restricted Stock Unit, and any Dividend Equivalents thereon, must be settled not later than March 15 of the calendar year after the calendar year in which the Restricted Stock Unit vests (or December 31 of such calendar year in the case of your death, as described above in the provision entitled "Vesting").

At the time of settlement, you will receive one share of the Company's Common Stock for each vested Restricted Stock Unit and an amount of cash, without additional earnings or interest and rounded to the nearest whole cent, equal to (i) the value of any fractional share and (ii) the cash portion of the accumulated Dividend Equivalents applicable to the vested Restricted Stock Units, less any Tax-Related Items withholding. Any cash may be distributed to you directly or may be used to offset the amount of any Tax-Related Items withholding arising from the vesting/settlement of the Restricted Stock Units and any Dividend Equivalents thereon.

Trading Day

"Trading Day" means a day that satisfies each of the following requirements:

The Nasdaq Global Market is open for trading on that day;

You are permitted to sell shares of Common Stock on that day without incurring liability under Section 16(b) of the Securities Exchange Act;

Either (a) you are not in possession of material non-public information that would make it illegal for you to sell shares of the Company's Common Stock on that day under Rule 10b-5 of the U.S. Securities and Exchange Commission or (b) you have a trading plan that complies with the requirements of Rule 10b5-1(c)(1) of the Securities Exchange Act that covers the shares underlying the vesting Restricted Stock Units;

Under the Company's Insider Trading Policy, you are permitted to sell shares of Common Stock on that day, and

You are not prohibited from selling shares of Common Stock on that day by a written agreement between you and the Company or a third party.

Change in Control

Except to the extent set forth in the Notice of Restricted Stock Unit Award, in the event of any Change in Control, vesting of the Target Restricted Stock Units, and any Dividend Equivalents thereon, will automatically accelerate in full as described in Article X of the Plan. However, vesting of the Target Restricted Stock Units, and any Dividend Equivalents thereon, will not automatically accelerate if and to the extent the Restricted Stock Units are, in connection with the Change in Control, either to be assumed by the successor corporation (or its parent) or to be replaced with a comparable award for shares of the capital stock of the successor corporation (or its parent). The determination of award comparability will be made by the Committee, and its determination will be final, binding and conclusive.

In addition, you will vest as to 100% of the unvested Target Restricted Stock Units, and any Dividend Equivalents thereon, if the Company is subject to a Change in Control before your Service terminates, and you are subject to a Qualifying Termination (as defined below) within 12 months after the Change in Control.

Notwithstanding the foregoing, any action taken in connection with a Change in Control must either (a) preserve the exemption of the Restricted Stock Units, and any Dividend Equivalents thereon, from Section 409A of the Code or (b) comply with Section 409A of the Code.

Qualifying Termination

A Qualifying Termination means a Separation (as defined below) resulting from: (a) involuntary discharge for any reason other than Cause (as defined below) within 12 months after a Change in Control; or (b) your voluntary resignation for Good Reason (as defined below), between the date that is four months following a Change in Control and the date that is 12 months following a Change in Control; provided, however, that the grounds for Good Reason may arise at any time within the 12 months following the Change in Control.

Cause means your unauthorized use or disclosure of trade secrets that causes material harm to the Company, your conviction of, or a plea of "guilty" or "no contest" to, a felony or your gross misconduct.

Good Reason means: (i) a material diminution in your authority, duties or responsibilities; (ii) a material reduction in your level of compensation (including base salary and target bonus) other than pursuant to a Company-wide reduction of compensation where the reduction affects the other executive officers and your reduction is substantially equal, on a percentage basis, to the reduction of the other executive officers; or (iii) a relocation of your place of employment by more than 30 miles, provided and only if such change, reduction or relocation is effected by the Company without your consent[1].

For vesting to accelerate as a result of a voluntary resignation for Good Reason, all of the following requirements must be satisfied: (1) you must provide notice to the Company of your intent to assert Good Reason within 120 days of the initial existence of one or more of the conditions set forth in (i) through (iii) of the preceding paragraph; (2) the Company will have 30 days from the date of such notice to remedy the condition and, if it does so, you may withdraw your resignation or may resign with no acceleration benefit; and (3) any termination of employment under this provision must occur within 18 months of the initial existence of one or more of the conditions set forth in subclauses (i) through (iii). Should the Company remedy the condition as set forth above and then one or more of the conditions arises again within 12 months following the occurrence of a Change in Control, you may assert Good Reason again subject to all of the conditions set forth herein.

Separation means a "separation from service," as defined in the regulations under Section 409A of the Code.

[1]This definition of "Good Reason" is for the CEO, CFO, CLO & CHRO. All other executives have the following definition of "Good Reason": "Good Reason means: (i) a material diminution in your authority, duties or responsibilities (provided, however, if by virtue of the Company being acquired and made a division or business unit of a larger entity following a Change in Control, you retain substantially similar authority, duties or responsibilities for such division or business unit of the acquiring corporation but not for the entire acquiring corporation, such reduction in authority, duties or responsibilities shall not constitute Good Reason for purposes of this subclause (i)); (ii) a 10% or greater reduction in your level of compensation, which will be determined based on an average of your annual Total Direct Compensation for the prior three calendar years or, if employed for fewer than three calendar years, the number of years you have been employed by the Company (referred to below as the "look-back years"); or (iii) a relocation of your place of employment by more than 30 miles, provided and only if such change, reduction or relocation is effected by the Company without your consent. For purposes of the foregoing, Total Direct Compensation means total target cash compensation (annual base salary plus target annual cash incentives)."

Forfeiture

If your Service terminates for any reason, then your Restricted Stock Units, and any Dividend Equivalents thereon, will be forfeited to the extent that they have not vested before the termination date, unless there is vesting acceleration in the event of a Qualifying Termination or in the event of your death. Forfeiture means that the Restricted Stock Units, and any Dividend Equivalents thereon, will immediately revert to the Company. You receive no payment for Restricted Stock Units, and any Dividend Equivalents thereon, that are forfeited. The Committee determines when your Service terminates for this purpose.

Leaves of Absence and Part-Time Work	For purposes of this Award, your Service does not terminate when you go on a military leave, a sick leave or another *bona fide* leave of absence, if the leave was approved by the Company in writing. But your Service terminates when the approved leave ends, unless you immediately return to active work. If you go on a leave of absence that lasts or is expected to last seven days or longer, then vesting will be suspended during the leave to the extent provided for in the Company's leave policy. Upon your return to active work (as determined by the Company), vesting will resume; however, unless otherwise provided in the Company's leave policy, you will not receive credit for any vesting until you work an amount of time equal to the period of your leave. If you and the Company or a subsidiary of the Company agree to a reduction in your scheduled work hours, then the Company reserves the right to modify the rate at which the Restricted Stock Units, and any Dividend Equivalents thereon, vest, so that the rate of vesting is commensurate with your reduced work schedule. Any such adjustment shall be consistent with the Company's policies for part-time or reduced work schedules or shall be pursuant to the terms of an agreement between you and the Company or a subsidiary of the Company pertaining to your reduced work schedule. The Company shall not be required to adjust any vesting schedule pursuant to this provision. Further, the vesting schedule shall not be adjusted as described in this provision to the extent that the adjustment would cause the Restricted Stock Units to be subject to, or to violate, Section 409A of the Code.
Settlement / Stock Certificates	No shares of Common Stock shall be issued to you prior to the date on which the Restricted Stock Units vest. After any Restricted Stock Units vest pursuant to this Agreement, the Company shall promptly cause to be issued in book-entry form, registered in your name or in the name of your legal representatives or heirs, as the case may be, the number of shares of Common Stock representing your vested Restricted Stock Units. No fractional shares shall be issued.
Section 409A	This provision applies only if the Company determines that you are a "specified employee," as defined in the regulations under Section 409A of the Code, at the time of your "separation from service," as defined in those regulations. If this paragraph applies, then any Restricted Stock Units, and any Dividend Equivalents thereon, that otherwise would have been settled or paid during the first six months following your separation from service will instead be settled or paid on the first business day following the six-month anniversary of your separation from service, unless the settlement of those units is exempt from Section 409A of the Code.
Stockholder Rights	The Restricted Stock Units do not entitle you to any of the rights of a stockholder of the Company. Your rights, including rights to any Dividend Equivalents, shall remain forfeitable at all times prior to the date on which you vest in your Award. Upon settlement of the Restricted Stock Units into shares of Common Stock, you will obtain full voting and other rights as a stockholder of the Company.
Units Restricted	You may not sell, transfer, pledge or otherwise dispose of any Restricted Stock Units or rights under this Agreement other than by will or by the laws of descent and distribution.

Withholding Taxes

Regardless of any action the Company and/or, if different, the Subsidiary of the Company which employs you (the "***Employer***") take with respect to any or all income tax (including U.S. federal, state and local tax and/or non-U.S. tax), social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related withholding ("***Tax-Related Items***"), you acknowledge that the ultimate liability for all Tax-Related Items legally due by you is and remains your responsibility and that the Company and/or the Employer: (a) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Restricted Stock Units, including the award of the Restricted Stock Units, the vesting of the Restricted Stock Units, the issuance of shares of Common Stock in settlement of the Restricted Stock Units, the subsequent sale of shares acquired at vesting, the receipt of any Dividend Equivalents and the receipt of any dividends; and (b) do not commit to structure the terms of this Award or any aspect of the Restricted Stock Units to reduce or eliminate your liability for Tax-Related Items. Prior to the relevant taxable event, you shall pay or make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all withholding obligations for Tax-Related Items of the Company and/or the Employer. With the Company's consent, these arrangements may include (i) withholding from any cash Dividend Equivalents or shares of Company stock that otherwise would be issued to you when they vest, (ii) surrendering shares that you previously acquired, (iii) deducting the withholding taxes from any cash compensation payable to you or (iv) withholding from proceeds of the sale of shares of Common Stock issued upon settlement of the Restricted Stock Units. Notwithstanding the foregoing, if you are an officer of the Company under Section 16 of the Exchange Act, any withholding or surrender of shares of Common Stock pursuant to (i) or (ii) hereof will be approved in advance by the Board or Committee to the extent necessary to qualify such transaction as exempt under Exchange Act Rule 16b-3. The fair market value of the shares you surrender, determined as of the date taxes otherwise would have been withheld in cash, will be applied as a credit against the withholding taxes.

The Company may refuse to deliver the shares of Common Stock to you if you fail to comply with your obligations in connection with the Tax-Related Items as described in this provision.

Restrictions on Resale

You agree not to sell any shares of Common Stock you receive under this Agreement at a time when applicable laws, regulations, Company trading policies (including the Company's Insider Trading Policy, a copy of which can be found on the Company's intranet) or an agreement between the Company and its underwriters prohibit a sale. This restriction will apply as long as your Service continues and for such period of time after the termination of your Service as the Company may specify.

No Retention Rights

Except to the extent provided specifically in an agreement between you and the Company, neither this Award nor this Agreement gives you the right to be employed or retained by the Company or a subsidiary of the Company in any capacity; the Company and its subsidiaries reserve the right to terminate your Service at any time, with or without cause.

In accepting this Award, you acknowledge that: (a) the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time, unless otherwise provided in the Plan and this Agreement; (b) the Award is voluntary and occasional and does not create any contractual or other right to receive future awards of Restricted Stock Units, and any Dividend Equivalents thereon, or benefits in lieu of Restricted Stock Units, and any Dividend Equivalents thereon, even if Restricted Stock Units have been granted in the past; (c) all decisions with respect to future awards, if any, will be at the sole discretion of the Company; (d) your participation in the Plan is voluntary; (e) your participation in the Plan shall not create a right to further employment with your Employer and shall not interfere with the ability of your Employer to terminate your Service at any time with or without cause; (f) the Award is an extraordinary item that does not constitute compensation of any kind for services of any kind rendered to the Company or any subsidiary of the Company, and that is outside the scope of your employment or service contract, if any; (g) the Award is not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculation of any severance, resignation, termination, redundancy, end of service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for the Company or any subsidiary of the Company; (h) in the event that you are not an employee of the Company, the Award and your participation in the Plan will not be interpreted to form an employment or service contract or relationship with the Company and, furthermore, the Award and your participation in the Plan will not be interpreted to form an employment or service contract or relationship with the Employer or any other subsidiary of the Company; (i) the future value of the underlying shares of Common Stock is unknown and cannot be predicted with certainty; (j) in consideration of the Award, no claim or entitlement to compensation or damages shall arise from termination of the Award or from any diminution in value of the Award or shares of Common Stock acquired upon vesting of the Award resulting from termination of Service (for any reason whatsoever and whether or not in breach of local labor laws); (k) the Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding your participation in the Plan or your acquisition or sale of the underlying shares of Common Stock; and (l) you are hereby advised to consult with your own personal tax, legal and financial advisors regarding your participation in the Plan before taking any action related to the Plan.

Adjustments

In the event of a stock split, a stock dividend or a similar change in Company stock, the number of Restricted Stock Units that will vest in any future installments will be adjusted accordingly, as provided for in the Plan.

Repayment/Forfeiture

Any benefits you may receive hereunder shall be subject to repayment or forfeiture as may be required to comply with (i) any applicable listing standards of a national securities exchange adopted in accordance with Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (regarding recovery of erroneously awarded compensation) and any implementing rules and regulations of the U.S. Securities and Exchange Commission adopted thereunder, (ii) recoupment requirements under any other U.S. laws or under the laws of any other jurisdiction and (iii) any policies adopted by the Company to implement such requirements, all to the extent determined by the Company in its discretion to be applicable to you.

Data Privacy Notice and Consent	***a) <u>Data Collection and Usage</u>. The Company and the Employer collect, process and use certain personal information about you, including, but not limited to, your name, home address and telephone number, email address, date of birth, social insurance, passport or other identification number (e.g., resident registration number), salary, nationality, job title, any shares of Common Stock or directorships held in the Company, details of all purchase rights or any other entitlement to shares of Common Stock or equivalent benefits awarded, canceled, exercised, purchased, vested, unvested or outstanding in your favor ("Data"), for the purposes of implementing, administering and managing your participation in the Plan. The legal basis, where required, for the processing of Data is your consent.*** ***b) <u>Stock Plan Administration Service Providers</u>. The Company will transfer Data to E*TRADE Financial Services, Inc. or Morgan Stanley Smith Barney, which are assisting the Company with the implementation, administration and management of the Plan (the "Designated Broker"). The Company may select different or additional service providers in the future and share Data with such other provider(s) serving in a similar manner. You may be asked to agree on separate terms and data processing practices with the Designated Broker, with such agreement being a condition to the ability to participate in the Plan.*** ***c) <u>International Data Transfers</u>. The Company and the Designated Broker are based in the United States. Your country or jurisdiction may have different data privacy laws and protections than the United States. For example, the European Commission has issued a limited adequacy finding with respect to the United States that applies only to the extent companies register for the EU-U.S. Privacy Shield program (which the Company currently is not). The Company's legal basis, where required, for the transfer of Data is your consent.*** ***d) <u>Data Retention</u>. The Company will hold and use Data only as long as is necessary to implement, administer and manage your participation in the Plan, or as required to comply with legal or regulatory obligations, including under tax, exchange control, labor and securities laws.*** ***e) <u>Voluntariness and Consequences of Consent Denial or Withdrawal</u>. Participation in the Plan is voluntary, and you are providing the consents herein on a purely voluntary basis. If you do not consent, or if you later seek to revoke your consent, your salary from or employment and career with the Employer will not be affected; the only consequence of refusing or you withdrawing consent is that the Company would not be able to grant the Restricted Stock Units or other equity awards to you or administer or maintain such awards.*** ***f) <u>Data Subject Rights</u>. You may have a number of rights under data privacy laws in your jurisdiction. Depending on where you are based, such rights may include the right to (i) request access or copies of Data the Company processes, (ii) rectification of incorrect Data, (iii) deletion of Data, (iv) restrictions on processing of Data, (v) portability of Data, (vi) lodge complaints with competent authorities in your jurisdiction, and/or (vii) receive a list with the names and addresses of any potential recipients of Data. To receive clarification regarding these rights or to exercise these rights, you can contact the local human resources representative.*** ***g) By accepting the Restricted Stock Units and indicating consent via the Company's acceptance procedure, you are declaring agreement with the data processing practices described herein and consent to the collection, processing and use of Data by the Company and the transfer of Data to the recipients mentioned above, including recipients located in countries which do not adduce an adequate level of protection from a European (or other non-U.S.) data protection law perspective, for the purposes described above.*** ***Finally, you understand that the Company may rely on a different basis for the processing or transfer of Data in the future and/or request that you provide another data privacy consent. If applicable, you agree that upon request of the Company or the Employer, you will provide an executed acknowledgement or data privacy consent form (or any other agreements or consents) that the Company and/or the Employer may deem necessary to obtain from you for the purpose of administering your participation in the Plan in compliance with the data privacy laws in your country, either now or in the future. You understand and agree that you will not be able to participate in the Plan if you fail to provide any such consent or agreement requested by the Company and/or the Employer.***

Insider Trading Restrictions / Market Abuse Laws	You acknowledge that, depending on your or your broker's country or the country in which shares of Common Stock are listed, you may be subject to insider trading restrictions and/or market abuse laws, which may affect your ability to accept, acquire, sell or otherwise dispose of shares of Common Stock, rights to shares of Common Stock (*e.g.*, Restricted Stock Units) or rights linked to the value of shares of Common Stock under the Plan during such times that you are considered to have "inside information" regarding the Company (as defined by the laws or regulations in the applicable jurisdictions or your country). Local insider trading laws and regulations may prohibit the cancellation or amendment of orders you placed before you possessed inside information. Furthermore, you could be prohibited from (i) disclosing the inside information to any third party and (ii) "tipping" third parties or causing them otherwise to buy or sell securities. You should keep in mind that third parties include fellow employees. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. You understand you are responsible for ensuring compliance with any restrictions and should consult with your personal legal advisor on this matter.
Severability	The provisions of this Agreement are severable and if any one or more provisions are determined to be invalid or otherwise enforceable, in whole or in part, the remaining provisions shall continue in effect.
Applicable Law	This Agreement will be interpreted and enforced with respect to issues of contract law under the laws of the State of Delaware (except their choice of law provisions). For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this grant or this Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the State of California and agree that such litigation shall be conducted only in the courts of San Mateo County, California, U.S.A. or the federal courts for the United States for the Northern District of California, and no other courts, where this grant is made and/or to be performed.
The Plan and Other Agreements	The text of the Plan is incorporated in this Agreement by reference. A copy of the Plan is available on the Company's intranet or by request to the Stock Services Department. This Agreement and the Plan constitute the entire understanding between you and the Company regarding this Award. Any prior agreements, commitments or negotiations concerning this Award are superseded. This Agreement may be amended only by another written agreement between the parties.

By signing the Notice of Restricted Stock Unit Award, you agree to

All of the terms and conditions described above and in the Plan.

Exhibit A

Revenue and AFFO/Share Goals for 2020

Exhibit 10.20

Equinix, Inc. 2000 Equity Incentive Plan

Notice of Restricted Stock Unit Award

For Executives

You have been granted the number of restricted stock units ("***Restricted Stock Units***") indicated below by Equinix, Inc. (the "***Company***") on the following terms:

Name:
Employee Id #:

Restricted Stock Unit Award Details:

Date of Grant:
Award Number:
Minimum Restricted Stock Units (0%):
Target Restricted Stock Units (100%):
Max Restricted Stock Units (200%):
Performance Period: **January 1, 2020 through December 31, 2022**

Each Restricted Stock Unit represents the right to receive one share of the Common Stock of the Company, and any Dividend Equivalents thereon prior to settlement, subject to the terms and conditions contained in this Notice of Restricted Stock Unit Award for Executives and the Restricted Stock Unit Agreement (together, the " ***Agreement***"). Capitalized terms not otherwise defined in this Agreement shall have the meaning set forth in the 2000 Equity Incentive Plan (the "***Plan***").

Vesting Schedule:

Vesting is dependent upon continuous active service as an employee, consultant or director of the Company or a subsidiary of the Company ("***Service***") throughout the vesting period.

The Restricted Stock Units, and any Dividend Equivalents thereon, shall vest in a number of shares determined based on the total shareholder return ("***TSR***") of the Company's Common Stock ("***EQIX***") against the IWB Russell 1000 Index Fund (the "***Index***"), calculated using the 30-day trading averages for both EQIX and the Index prior to the start (January 1, 2020) and end (December 31, 2022) of the Performance Period, and including the reinvestment of regular dividends paid by the Company and by the Index (provided both the Company and the Index are paying regular dividends). EQIX performance above and below that of the Index results in the scaling set forth on Exhibit A hereto. The number of Restricted Stock Units, and any Dividend Equivalents thereon, vesting under the award may range from 0% to 200% of the Target Restricted Stock Units as further illustrated on the attached Exhibit A.

Vesting shall occur on the first Trading Day that coincides with or follows the date upon which the Board, or a committee thereof, certifies the TSR over the Performance Period. Any Restricted Stock Units, and Dividend Equivalents thereon, that fail to vest based on the Company's TSR achievement shall be forfeited to the Company.

In the event of a Change in Control before the end of the 2022 fiscal year, the Performance Period shall be deemed terminated as of the effective date of the Change in Control (the "***Shortened Performance Period***"), such that TSR shall be calculated against the Index using the 30-day trading averages for both EQIX and the Index at the start and end of the Shortened Performance Period, including reinvested dividends (provided both the Company and the Index are paying regular dividends), to determine the number of the Restricted Stock Units, and any Dividend Equivalents thereon, that are deemed earned in an amount ranging from 0% to 200% as further illustrated on the attached Exhibit A, but that will remain unvested until December 31, 2022, except as otherwise provided in the Plan and the Agreement. The remaining unearned Restricted Stock Units, and Dividend Equivalents thereon, shall be forfeited to the Company upon such Change in Control (and such forfeited Restricted Stock Units, and any Dividend Equivalents thereon, will not accelerate in the event this Award is not assumed or substituted with a new award).

By your signature and the signature of the Company's representative below, you and the Company agree that the Restricted Stock Units, and any Dividend Equivalents thereon, are granted under and governed by the terms and conditions of the Plan and the Agreement that is attached to and made a part of this document.

You further agree that the Company may deliver by email all documents relating to the Plan or this Award (including, without limitation, prospectuses required by the U.S. Securities and Exchange Commission) and all other documents that the Company is required to deliver to its security holders (including, without limitation, annual reports and proxy statements). You also agree that the Company may deliver these documents by posting them on a web site maintained by the Company or by a third party under contract with the Company. If the Company posts these documents on a web site, it will notify you by email.

By your signature below, you agree to cover all Tax-Related Items as defined in the Agreement.

Recipient: **Equinix, Inc.**

Signature: ___ By: /s/ Charles Meyers

Print Name: ___ Title: CEO & President

Date: ____________________________________

Equinix, Inc. 2000 Equity Incentive Plan

Restricted Stock Unit Agreement

Payment for Shares

No payment is required for the Restricted Stock Units, and any Dividend Equivalents thereon, you receive.

Vesting

The Restricted Stock Units and any Dividend Equivalents thereon, that you are receiving will vest in accordance with the Vesting Schedule stated in the Notice of Restricted Stock Unit Award for Executives.

No additional Restricted Stock Units, or any Dividend Equivalents thereon, vest after your Service has terminated for any reason. It is intended that vesting in the Restricted Stock Units, and any Dividend Equivalents thereon, is commensurate with a full-time work schedule. For possible adjustments that may be made by the Company, see the provision below entitled "Leaves of Absence and Part-Time Work."

Dividend Equivalents

You will be credited with Dividend Equivalents equal to the dividends you would have received if you had been the record owner of the Common Stock underlying the Restricted Stock Units on each dividend record date on or after the Date of Grant and through the date you receive a settlement pursuant to the provision below entitled "Settlement of Units" (the "***Dividend Equivalent***"). Dividend Equivalents shall be subject to the same terms and conditions as the Restricted Stock Units originally awarded pursuant to this Agreement, and they shall vest (or, if applicable, be forfeited) as if they had been granted at the same time as the original Restricted Stock Unit award. If a dividend on the Common Stock is payable wholly or partially in Common Stock, the Dividend Equivalent representing that portion shall be in the form of additional Restricted Stock Units, credited on a one-for-one basis. If a dividend on the Common Stock is payable wholly or partially in cash, the Dividend Equivalent representing that portion shall be in the form of cash, which will be paid to you, without interest, as described below in the provision "Settlement of Units;" provided, however, that the Committee may, in its discretion, provide that the cash portion of any extraordinary distribution on the Common Stock shall be in the form of additional Restricted Stock Units. If a dividend on the Common Stock is payable wholly or partially in other than cash or Common Stock, the Committee may, in its discretion, provide for such Dividend Equivalents with respect to that portion as it deems appropriate under the circumstances.

Settlement of Units

Each Restricted Stock Unit, and any Dividend Equivalents thereon, will be settled on the first Trading Day that occurs on or after the day when the Restricted Stock Unit vests. However, each Restricted Stock Unit, and any Dividend Equivalents thereon, must be settled not later than March 15 of the calendar year after the calendar year in which the Restricted Stock Unit vests.

At the time of settlement, you will receive one share of the Company's Common Stock for each vested Restricted Stock Unit and an amount of cash, without additional earnings or interest and rounded to the nearest whole cent, equal to (i) the value of any fractional share and (ii) the cash portion of the accumulated Dividend Equivalents applicable to the vested Restricted Stock Units, less any Tax-Related Items withholding. Any cash may be distributed to you directly or may be used to offset the amount of any Tax-Related Items withholding arising from the vesting/settlement of the Restricted Stock Units and any Dividend Equivalents thereon.

Trading Day

"Trading Day" means a day that satisfies each of the following requirements:

The Nasdaq Global Market is open for trading on that day;

You are permitted to sell shares of Common Stock on that day without incurring liability under Section 16(b) of the Securities Exchange Act;

Either (a) you are not in possession of material non-public information that would make it illegal for you to sell shares of the Company's Common Stock on that day under Rule 10b-5 of the U.S. Securities and Exchange Commission or (b) you have a trading plan that complies with the requirements of Rule 10b5-1(c)(1) of the Securities Exchange Act that covers the shares underlying the vesting Restricted Stock Units;

Under the Company's Insider Trading Policy, you are permitted to sell shares of Common Stock on that day, and

You are not prohibited from selling shares of Common Stock on that day by a written agreement between you and the Company or a third party.

Change in Control

Except to the extent set forth in the Notice of Restricted Stock Unit Award, in the event of any Change in Control, vesting of the Target Restricted Stock Units, and any Dividend Equivalents thereon, will automatically accelerate in full as described in Article X of the Plan. However, vesting of the Target Restricted Stock Units, and any Dividend Equivalents thereon, will not automatically accelerate if and to the extent the Restricted Stock Units are, in connection with the Change in Control, either to be assumed by the successor corporation (or its parent) or to be replaced with a comparable award for shares of the capital stock of the successor corporation (or its parent). The determination of award comparability will be made by the Committee, and its determination will be final, binding and conclusive.

In addition, you will vest as to 100% of the unvested Target Restricted Stock Units, and any Dividend Equivalents thereon, if the Company is subject to a Change in Control before your Service terminates, and you are subject to a Qualifying Termination (as defined below) within 12 months after the Change in Control.

Notwithstanding the foregoing, any action taken in connection with a Change in Control must either (a) preserve the exemption of the Restricted Stock Units, and any Dividend Equivalents thereon, from Section 409A of the Code or (b) comply with Section 409A of the Code.

Qualifying Termination

A Qualifying Termination means a Separation (as defined below) resulting from: (a) involuntary discharge for any reason other than Cause (as defined below) within 12 months after a Change in Control; or (b) your voluntary resignation for Good Reason (as defined below), between the date that is four months following a Change in Control and the date that is 12 months following a Change in Control; provided, however, that the grounds for Good Reason may arise at any time within the 12 months following the Change in Control.

Cause means your unauthorized use or disclosure of trade secrets that causes material harm to the Company, your conviction of, or a plea of "guilty" or "no contest" to, a felony or your gross misconduct.

Good Reason means: (i) a material diminution in your authority, duties or responsibilities; (ii) a material reduction in your level of compensation (including base salary and target bonus) other than pursuant to a Company-wide reduction of compensation where the reduction affects the other executive officers and your reduction is substantially equal, on a percentage basis, to the reduction of the other executive officers; or (iii) a relocation of your place of employment by more than 30 miles, provided and only if such change, reduction or relocation is effected by the Company without your consent[1].

For vesting to accelerate as a result of a voluntary resignation for Good Reason, all of the following requirements must be satisfied: (1) you must provide notice to the Company of your intent to assert Good Reason within 120 days of the initial existence of one or more of the conditions set forth in (i) through (iii) of the preceding paragraph; (2) the Company will have 30 days from the date of such notice to remedy the condition and, if it does so, you may withdraw your resignation or may resign with no acceleration benefit; and (3) any termination of employment under this provision must occur within 18 months of the initial existence of one or more of the conditions set forth in subclauses (i) through (iii). Should the Company remedy the condition as set forth above and then one or more of the conditions arises again within 12 months following the occurrence of a Change in Control, you may assert Good Reason again subject to all of the conditions set forth herein.

Separation means a "separation from service," as defined in the regulations under Section 409A of the Code.

[1]This definition of "Good Reason" is for the CEO, CFO, CLO & CHRO. All other executives have the following definition of "Good Reason": "Good Reason means: (i) a material diminution in your authority, duties or responsibilities (provided, however, if by virtue of the Company being acquired and made a division or business unit of a larger entity following a Change in Control, you retain substantially similar authority, duties or responsibilities for such division or business unit of the acquiring corporation but not for the entire acquiring corporation, such reduction in authority, duties or responsibilities shall not constitute Good Reason for purposes of this subclause (i)); (ii) a 10% or greater reduction in your level of compensation, which will be determined based on an average of your annual Total Direct Compensation for the prior three calendar years or, if employed for fewer than three calendar years, the number of years you have been employed by the Company (referred to below as the "look-back years"); or (iii) a relocation of your place of employment by more than 30 miles, provided and only if such change, reduction or relocation is effected by the Company without your consent. For purposes of the foregoing, Total Direct Compensation means total target cash compensation (annual base salary plus target annual cash incentives)."

Forfeiture

If your Service terminates for any reason, then your Restricted Stock Units, and any Dividend Equivalents thereon, will be forfeited to the extent that they have not vested before the termination date, unless there is vesting acceleration in the event of a Qualifying Termination. Forfeiture means that the Restricted Stock Units, and any Dividend Equivalents thereon, will immediately revert to the Company. You receive no payment for Restricted Stock Units, and any Dividend Equivalents thereon, that are forfeited. The Committee determines when your Service terminates for this purpose.

Leaves of Absence and Part-Time Work

For purposes of this Award, your Service does not terminate when you go on a military leave, a sick leave or another *bona fide* leave of absence, if the leave was approved by the Company in writing. But your Service terminates when the approved leave ends, unless you immediately return to active work.

If you go on a leave of absence that lasts or is expected to last seven days or longer, then vesting will be suspended during the leave to the extent provided for in the Company's leave policy. Upon your return to active work (as determined by the Company), vesting will resume; however, unless otherwise provided in the Company's leave policy, you will not receive credit for any vesting until you work an amount of time equal to the period of your leave.

If you and the Company or a subsidiary of the Company agree to a reduction in your scheduled work hours, then the Company reserves the right to modify the rate at which the Restricted Stock Units, and any Dividend Equivalents thereon, vest, so that the rate of vesting is commensurate with your reduced work schedule. Any such adjustment shall be consistent with the Company's policies for part-time or reduced work schedules or shall be pursuant to the terms of an agreement between you and the Company or a subsidiary of the Company pertaining to your reduced work schedule.

The Company shall not be required to adjust any vesting schedule pursuant to this provision. Further, the vesting schedule shall not be adjusted as described in this provision to the extent that the adjustment would cause the Restricted Stock Units to be subject to, or to violate, Section 409A of the Code.

Settlement / Stock Certificates

No shares of Common Stock shall be issued to you prior to the date on which the Restricted Stock Units vest. After any Restricted Stock Units vest pursuant to this Agreement, the Company shall promptly cause to be issued in book-entry form, registered in your name or in the name of your legal representatives or heirs, as the case may be, the number of shares of Common Stock representing your vested Restricted Stock Units. No fractional shares shall be issued.

Section 409A

This provision applies only if the Company determines that you are a "specified employee," as defined in the regulations under Section 409A of the Code, at the time of your "separation from service," as defined in those regulations. If this paragraph applies, then any Restricted Stock Units, and any Dividend Equivalents thereon, that otherwise would have been settled or paid during the first six months following your separation from service will instead be settled or paid on the first business day following the six-month anniversary of your separation from service, unless the settlement of those units is exempt from Section 409A of the Code.

Stockholder Rights

The Restricted Stock Units do not entitle you to any of the rights of a stockholder of the Company. Your rights, including rights to any Dividend Equivalents, shall remain forfeitable at all times prior to the date on which you vest in your Award. Upon settlement of the Restricted Stock Units into shares of Common Stock, you will obtain full voting and other rights as a stockholder of the Company.

Units Restricted

You may not sell, transfer, pledge or otherwise dispose of any Restricted Stock Units or rights under this Agreement other than by will or by the laws of descent and distribution.

Withholding Taxes

Regardless of any action the Company and/or, if different, the Subsidiary of the Company which employs you (the "***Employer***") take with respect to any or all income tax (including U.S. federal, state and local tax and/or non-U.S. tax), social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related withholding ("***Tax-Related Items***"), you acknowledge that the ultimate liability for all Tax-Related Items legally due by you is and remains your responsibility and that the Company and/or the Employer: (a) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Restricted Stock Units, including the award of the Restricted Stock Units, the vesting of the Restricted Stock Units, the issuance of shares of Common Stock in settlement of the Restricted Stock Units, the subsequent sale of shares acquired at vesting, the receipt of any Dividend Equivalents and the receipt of any dividends; and (b) do not commit to structure the terms of this Award or any aspect of the Restricted Stock Units to reduce or eliminate your liability for Tax-Related Items. Prior to the relevant taxable event, you shall pay or make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all withholding obligations for Tax-Related Items of the Company and/or the Employer. With the Company's consent, these arrangements may include (i) withholding from any cash Dividend Equivalents or shares of Company stock that otherwise would be issued to you when they vest, (ii) surrendering shares that you previously acquired, (iii) deducting the withholding taxes from any cash compensation payable to you or (iv) withholding from proceeds of the sale of shares of Common Stock issued upon settlement of the Restricted Stock Units. Notwithstanding the foregoing, if you are an officer of the Company under Section 16 of the Exchange Act, any withholding or surrender of shares of Common Stock pursuant to (i) or (ii) hereof will be approved in advance by the Board or Committee to the extent necessary to qualify such transaction as exempt under Exchange Act Rule 16b-3. The fair market value of the shares you surrender, determined as of the date taxes otherwise would have been withheld in cash, will be applied as a credit against the withholding taxes.

The Company may refuse to deliver the shares of Common Stock to you if you fail to comply with your obligations in connection with the Tax-Related Items as described in this provision.

Restrictions on Resale

You agree not to sell any shares of Common Stock you receive under this Agreement at a time when applicable laws, regulations, Company trading policies (including the Company's Insider Trading Policy, a copy of which can be found on the Company's intranet) or an agreement between the Company and its underwriters prohibit a sale. This restriction will apply as long as your Service continues and for such period of time after the termination of your Service as the Company may specify.

No Retention Rights

Except to the extent provided specifically in an agreement between you and the Company, neither this Award nor this Agreement gives you the right to be employed or retained by the Company or a subsidiary of the Company in any capacity; the Company and its subsidiaries reserve the right to terminate your Service at any time, with or without cause.

In accepting this Award, you acknowledge that: (a) the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time, unless otherwise provided in the Plan and this Agreement; (b) the Award is voluntary and occasional and does not create any contractual or other right to receive future awards of Restricted Stock Units, and any Dividend Equivalents thereon, or benefits in lieu of Restricted Stock Units, and any Dividend Equivalents thereon, even if Restricted Stock Units have been granted in the past; (c) all decisions with respect to future awards, if any, will be at the sole discretion of the Company; (d) your participation in the Plan is voluntary; (e) your participation in the Plan shall not create a right to further employment with your Employer and shall not interfere with the ability of your Employer to terminate your Service at any time with or without cause; (f) the Award is an extraordinary item that does not constitute compensation of any kind for services of any kind rendered to the Company or any subsidiary of the Company, and that is outside the scope of your employment or service contract, if any; (g) the Award is not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculation of any severance, resignation, termination, redundancy, end of service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for the Company or any subsidiary of the Company; (h) in the event that you are not an employee of the Company, the Award and your participation in the Plan will not be interpreted to form an employment or service contract or relationship with the Company and, furthermore, the Award and your participation in the Plan will not be interpreted to form an employment or service contract or relationship with the Employer or any other subsidiary of the Company; (i) the future value of the underlying shares of Common Stock is unknown and cannot be predicted with certainty; (j) in consideration of the Award, no claim or entitlement to compensation or damages shall arise from termination of the Award or from any diminution in value of the Award or shares of Common Stock acquired upon vesting of the Award resulting from termination of Service (for any reason whatsoever and whether or not in breach of local labor laws); (k) the Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding your participation in the Plan or your acquisition or sale of the underlying shares of Common Stock; and (l) you are hereby advised to consult with your own personal tax, legal and financial advisors regarding your participation in the Plan before taking any action related to the Plan.

Adjustments

In the event of a stock split, a stock dividend or a similar change in Company stock, the number of Restricted Stock Units that will vest in any future installments will be adjusted accordingly, as provided for in the Plan.

Repayment/Forfeiture

Any benefits you may receive hereunder shall be subject to repayment or forfeiture as may be required to comply with (i) any applicable listing standards of a national securities exchange adopted in accordance with Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (regarding recovery of erroneously awarded compensation) and any implementing rules and regulations of the U.S. Securities and Exchange Commission adopted thereunder, (ii) recoupment requirements under any other U.S. laws or under the laws of any other jurisdiction and (iii) any policies adopted by the Company to implement such requirements, all to the extent determined by the Company in its discretion to be applicable to you.

Data Privacy Notice and Consent

a) <u>Data Collection and Usage</u>. The Company and the Employer collect, process and use certain personal information about you, including, but not limited to, your name, home address and telephone number, email address, date of birth, social insurance, passport or other identification number (e.g., resident registration number), salary, nationality, job title, any shares of Common Stock or directorships held in the Company, details of all purchase rights or any other entitlement to shares of Common Stock or equivalent benefits awarded, canceled, exercised, purchased, vested, unvested or outstanding in your favor ("Data"), for the purposes of implementing, administering and managing your participation in the Plan. The legal basis, where required, for the processing of Data is your consent.

b) <u>Stock Plan Administration Service Providers</u>. The Company will transfer Data to E*TRADE Financial Services, Inc. or Morgan Stanley Smith Barney, which are assisting the Company with the implementation, administration and management of the Plan (the "Designated Broker"). The Company may select different or additional service providers in the future and share Data with such other provider(s) serving in a similar manner. You may be asked to agree on separate terms and data processing practices with the Designated Broker, with such agreement being a condition to the ability to participate in the Plan.

c) <u>International Data Transfers</u>. The Company and the Designated Broker are based in the United States. Your country or jurisdiction may have different data privacy laws and protections than the United States. For example, the European Commission has issued a limited adequacy finding with respect to the United States that applies only to the extent companies register for the EU-U.S. Privacy Shield program (which the Company currently is not). The Company's legal basis, where required, for the transfer of Data is your consent.

d) <u>Data Retention</u>. The Company will hold and use Data only as long as is necessary to implement, administer and manage your participation in the Plan, or as required to comply with legal or regulatory obligations, including under tax, exchange control, labor and securities laws.

e) <u>Voluntariness and Consequences of Consent Denial or Withdrawal</u>. Participation in the Plan is voluntary, and you are providing the consents herein on a purely voluntary basis. If you do not consent, or if you later seek to revoke your consent, your salary from or employment and career with the Employer will not be affected; the only consequence of refusing or you withdrawing consent is that the Company would not be able to grant the Restricted Stock Units or other equity awards to you or administer or maintain such awards.

f) <u>Data Subject Rights</u>. You may have a number of rights under data privacy laws in your jurisdiction. Depending on where you are based, such rights may include the right to (i) request access or copies of Data the Company processes, (ii) rectification of incorrect Data, (iii) deletion of Data, (iv) restrictions on processing of Data, (v) portability of Data, (vi) lodge complaints with competent authorities in your jurisdiction, and/or (vii) receive a list with the names and addresses of any potential recipients of Data. To receive clarification regarding these rights or to exercise these rights, you can contact the local human resources representative.

g) By accepting the Restricted Stock Units and indicating consent via the Company's acceptance procedure, you are declaring agreement with the data processing practices described herein and consent to the collection, processing and use of Data by the Company and the transfer of Data to the recipients mentioned above, including recipients located in countries which do not adduce an adequate level of protection from a European (or other non-U.S.) data protection law perspective, for the purposes described above.

Finally, you understand that the Company may rely on a different basis for the processing or transfer of Data in the future and/or request that you provide another data privacy consent. If applicable, you agree that upon request of the Company or the Employer, you will provide an executed acknowledgement or data privacy consent form (or any other agreements or consents) that the Company and/or the Employer may deem necessary to obtain from you for the purpose of administering your participation in the Plan in compliance with the data privacy laws in your country, either now or in the future. You understand and agree that you will not be able to participate in the Plan if you fail to provide any such consent or agreement requested by the Company and/or the Employer.

Insider Trading Restrictions / Market Abuse Laws	You acknowledge that, depending on your or your broker's country or the country in which shares of Common Stock are listed, you may be subject to insider trading restrictions and/or market abuse laws, which may affect your ability to accept, acquire, sell or otherwise dispose of shares of Common Stock, rights to shares of Common Stock (*e.g.*, Restricted Stock Units) or rights linked to the value of shares of Common Stock under the Plan during such times that you are considered to have "inside information" regarding the Company (as defined by the laws or regulations in the applicable jurisdictions or your country). Local insider trading laws and regulations may prohibit the cancellation or amendment of orders you placed before you possessed inside information. Furthermore, you could be prohibited from (i) disclosing the inside information to any third party and (ii) "tipping" third parties or causing them otherwise to buy or sell securities. You should keep in mind that third parties include fellow employees. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. You understand you are responsible for ensuring compliance with any restrictions and should consult with your personal legal advisor on this matter.
Severability	The provisions of this Agreement are severable and if any one or more provisions are determined to be invalid or otherwise enforceable, in whole or in part, the remaining provisions shall continue in effect.
Applicable Law	This Agreement will be interpreted and enforced with respect to issues of contract law under the laws of the State of Delaware (except their choice of law provisions). For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this grant or this Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the State of California and agree that such litigation shall be conducted only in the courts of San Mateo County, California, U.S.A. or the federal courts for the United States for the Northern District of California, and no other courts, where this grant is made and/or to be performed.
The Plan and Other Agreements	The text of the Plan is incorporated in this Agreement by reference. A copy of the Plan is available on the Company's intranet or by request to the Stock Services Department. This Agreement and the Plan constitute the entire understanding between you and the Company regarding this Award. Any prior agreements, commitments or negotiations concerning this Award are superseded. This Agreement may be amended only by another written agreement between the parties.

By signing the Notice of Restricted Stock Unit Award, you agree to

All of the terms and conditions described above and in the Plan.

Exhibit A

Ramped Accelerator/Decelerator (0% Min Payout)

Index	Russell 1000 - IWB Fund	
Perf. Period	3 years	
TSR Calc.	EQIX vs. Russell 1000	
Min TSR for payout	NA	
Minimum Payout	0%	
Maximum Payout	200%	
Performance Scale	Above Index	2:1
	Index	1:1
	Below Index	2:1

Performance	Payout	Scale
>50%	200%	2:1
+50%	200%	2:1
+40%	180%	2:1
+30%	160%	2:1
+25%	150%	2:1
+20%	140%	2:1
+10%	120%	2:1
+1%	102%	2:1
=	100%	1:1
-1%	98%	2:1
-10%	80%	2:1
-20%	60%	2:1
-30%	40%	2:1
-35%	30%	2:1
-40%	20%	2:1
>-40%	0%	2:1

TSR calculation to include reinvested regular dividends paid by both the Company and the Index; provided both the Company and the Index are paying regular dividends.

Exhibit 10.21

Equinix, Inc. 2000 Equity Incentive Plan

Notice of Restricted Stock Unit Award

For Executives

You have been granted the number of restricted stock units ("***Restricted Stock Units***") indicated below by Equinix, Inc. (the "***Company***") on the following terms:

Name:
Employee Id #:
Restricted Stock Unit Award Details:

Date of Grant:
Award Number:
Number of Restricted Stock Units:

Each Restricted Stock Unit represents the right to receive one share of the Common Stock of the Company, and any Dividend Equivalents thereon prior to settlement, subject to the terms and conditions contained in this Notice of Restricted Stock Unit Award for Executives and the Restricted Stock Unit Agreement (together, the " ***Agreement***"). Capitalized terms not otherwise defined in this Agreement shall have the meaning set forth in the 2000 Equity Incentive Plan (the "***Plan***").

Vesting Schedule:

Vesting is dependent upon continuous active service as an employee, consultant or director of the Company or a subsidiary of the Company ("***Service***") throughout the vesting period. The Restricted Stock Units, and any Dividend Equivalents thereon, shall vest at the following times:

- with respect to 33 1/3% of those units on the first Trading Day that coincides with or follows January 15, 2021;
- with respect to 33 1/3% of those units on the first Trading Day that coincides with or follows January 15, 2022; and
- with respect to 33 1/3% of those units on the first Trading Day that coincides with or follows January 15, 2023.

By your signature and the signature of the Company's representative below, you and the Company agree that the Restricted Stock Units, and any Dividend Equivalents thereon, are granted under and governed by the terms and conditions of the Plan and the Agreement that is attached to and made a part of this document.

You further agree that the Company may deliver by email all documents relating to the Plan or this Award (including, without limitation, prospectuses required by the U.S. Securities and Exchange Commission) and all other documents that the Company is required to deliver to its security holders (including, without limitation, annual reports and proxy statements). You also agree that the Company may deliver these documents by posting them on a web site maintained by the Company or by a third party under contract with the Company. If the Company posts these documents on a web site, it will notify you by email.

By your signature below, you agree to cover all Tax-Related Items as defined in the Agreement.

Recipient:	**Equinix, Inc.**
Signature: ___	By: /s/ Charles Meyers
Print Name: _____	Title: CEO & President
Date: ______________________________________	

Equinix, Inc. 2000 Equity Incentive Plan

Restricted Stock Unit Agreement

Payment for Shares

No payment is required for the Restricted Stock Units, and any Dividend Equivalents thereon, you receive.

Vesting

The Restricted Stock Units and any Dividend Equivalents thereon, that you are receiving will vest in accordance with the Vesting Schedule stated in the Notice of Restricted Stock Unit Award for Executives; provided, however, that if your Service terminates due to your death then the portion of the Restricted Stock Units, and any Dividend Equivalents thereon, that would have become vested on the next scheduled vesting date will become vested and the underlying shares (and cash equal to the Dividend Equivalents thereon) will be released to your estate not later than December 31 of the calendar year following your death.

No additional Restricted Stock Units, or any Dividend Equivalents thereon, vest after your Service has terminated for any reason other than death. It is intended that vesting in the Restricted Stock Units, and any Dividend Equivalents thereon, is commensurate with a full-time work schedule. For possible adjustments that may be made by the Company, see the provision below entitled "Leaves of Absence and Part-Time Work."

Dividend Equivalents

You will be credited with Dividend Equivalents equal to the dividends you would have received if you had been the record owner of the Common Stock underlying the Restricted Stock Units on each dividend record date on or after the Date of Grant and through the date you receive a settlement pursuant to the provision below entitled "Settlement of Units" (the "***Dividend Equivalent***"). Dividend Equivalents shall be subject to the same terms and conditions as the Restricted Stock Units originally awarded pursuant to this Agreement, and they shall vest (or, if applicable, be forfeited) as if they had been granted at the same time as the original Restricted Stock Unit award. If a dividend on the Common Stock is payable wholly or partially in Common Stock, the Dividend Equivalent representing that portion shall be in the form of additional Restricted Stock Units, credited on a one-for-one basis. If a dividend on the Common Stock is payable wholly or partially in cash, the Dividend Equivalent representing that portion shall be in the form of cash, which will be paid to you, without interest, as described below in the provision "Settlement of Units;" provided, however, that the Committee may, in its discretion, provide that the cash portion of any extraordinary distribution on the Common Stock shall be in the form of additional Restricted Stock Units. If a dividend on the Common Stock is payable wholly or partially in other than cash or Common Stock, the Committee may, in its discretion, provide for such Dividend Equivalents with respect to that portion as it deems appropriate under the circumstances.

Settlement of Units

Each Restricted Stock Unit, and any Dividend Equivalents thereon, will be settled on the first Trading Day that occurs on or after the day when the Restricted Stock Unit vests. However, each Restricted Stock Unit, and any Dividend Equivalents thereon, must be settled not later than March 15 of the calendar year after the calendar year in which the Restricted Stock Unit vests (or December 31 of such calendar year in the case of your death, as described above in the provision entitled "Vesting").

At the time of settlement, you will receive one share of the Company's Common Stock for each vested Restricted Stock Unit and an amount of cash, without additional earnings or interest and rounded to the nearest whole cent, equal to (i) the value of any fractional share and (ii) the cash portion of the accumulated Dividend Equivalents applicable to the vested Restricted Stock Units, less any Tax-Related Items withholding. Any cash may be distributed to you directly or may be used to offset the amount of any Tax-Related Items withholding arising from the vesting/settlement of the Restricted Stock Units and any Dividend Equivalents thereon.

Trading Day

"Trading Day" means a day that satisfies each of the following requirements:

The Nasdaq Global Market is open for trading on that day;

You are permitted to sell shares of Common Stock on that day without incurring liability under Section 16(b) of the Securities Exchange Act;

Either (a) you are not in possession of material non-public information that would make it illegal for you to sell shares of the Company's Common Stock on that day under Rule 10b-5 of the U.S. Securities and Exchange Commission or (b) you have a trading plan that complies with the requirements of Rule 10b5-1(c)(1) of the Securities Exchange Act that covers the shares underlying the vesting Restricted Stock Units;

Under the Company's Insider Trading Policy, you are permitted to sell shares of Common Stock on that day, and

You are not prohibited from selling shares of Common Stock on that day by a written agreement between you and the Company or a third party.

Change in Control

Except to the extent set forth in the Notice of Restricted Stock Unit Award, in the event of any Change in Control, vesting of the Target Restricted Stock Units, and any Dividend Equivalents thereon, will automatically accelerate in full as described in Article X of the Plan. However, vesting of the Target Restricted Stock Units, and any Dividend Equivalents thereon, will not automatically accelerate if and to the extent the Restricted Stock Units are, in connection with the Change in Control, either to be assumed by the successor corporation (or its parent) or to be replaced with a comparable award for shares of the capital stock of the successor corporation (or its parent). The determination of award comparability will be made by the Committee, and its determination will be final, binding and conclusive.

In addition, you will vest as to 100% of the unvested Target Restricted Stock Units, and any Dividend Equivalents thereon, if the Company is subject to a Change in Control before your Service terminates, and you are subject to a Qualifying Termination (as defined below) within 12 months after the Change in Control.

Notwithstanding the foregoing, any action taken in connection with a Change in Control must either (a) preserve the exemption of the Restricted Stock Units, and any Dividend Equivalents thereon, from Section 409A of the Code or (b) comply with Section 409A of the Code.

Qualifying Termination

A Qualifying Termination means a Separation (as defined below) resulting from: (a) involuntary discharge for any reason other than Cause (as defined below) within 12 months after a Change in Control; or (b) your voluntary resignation for Good Reason (as defined below), between the date that is four months following a Change in Control and the date that is 12 months following a Change in Control; provided, however, that the grounds for Good Reason may arise at any time within the 12 months following the Change in Control.

Cause means your unauthorized use or disclosure of trade secrets that causes material harm to the Company, your conviction of, or a plea of "guilty" or "no contest" to, a felony or your gross misconduct.

Good Reason means: (i) a material diminution in your authority, duties or responsibilities; (ii) a material reduction in your level of compensation (including base salary and target bonus) other than pursuant to a Company-wide reduction of compensation where the reduction affects the other executive officers and your reduction is substantially equal, on a percentage basis, to the reduction of the other executive officers; or (iii) a relocation of your place of employment by more than 30 miles, provided and only if such change, reduction or relocation is effected by the Company without your consent[1].

For vesting to accelerate as a result of a voluntary resignation for Good Reason, all of the following requirements must be satisfied: (1) you must provide notice to the Company of your intent to assert Good Reason within 120 days of the initial existence of one or more of the conditions set forth in (i) through (iii) of the preceding paragraph; (2) the Company will have 30 days from the date of such notice to remedy the condition and, if it does so, you may withdraw your resignation or may resign with no acceleration benefit; and (3) any termination of employment under this provision must occur within 18 months of the initial existence of one or more of the conditions set forth in subclauses (i) through (iii). Should the Company remedy the condition as set forth above and then one or more of the conditions arises again within 12 months following the occurrence of a Change in Control, you may assert Good Reason again subject to all of the conditions set forth herein.

Separation means a "separation from service," as defined in the regulations under Section 409A of the Code.

[1]This definition of "Good Reason" is for the CEO, CFO, CLO & CHRO. All other executives have the following definition of "Good Reason": "Good Reason means: (i) a material diminution in your authority, duties or responsibilities (provided, however, if by virtue of the Company being acquired and made a division or business unit of a larger entity following a Change in Control, you retain substantially similar authority, duties or responsibilities for such division or business unit of the acquiring corporation but not for the entire acquiring corporation, such reduction in authority, duties or responsibilities shall not constitute Good Reason for purposes of this subclause (i)); (ii) a 10% or greater reduction in your level of compensation, which will be determined based on an average of your annual Total Direct Compensation for the prior three calendar years or, if employed for fewer than three calendar years, the number of years you have been employed by the Company (referred to below as the "look-back years"); or (iii) a relocation of your place of employment by more than 30 miles, provided and only if such change, reduction or relocation is effected by the Company without your consent. For purposes of the foregoing, Total Direct Compensation means total target cash compensation (annual base salary plus target annual cash incentives)."

Forfeiture

If your Service terminates for any reason, then your Restricted Stock Units, and any Dividend Equivalents thereon, will be forfeited to the extent that they have not vested before the termination date, unless there is vesting acceleration in the event of a Qualifying Termination or in the event of your death. Forfeiture means that the Restricted Stock Units, and any Dividend Equivalents thereon, will immediately revert to the Company. You receive no payment for Restricted Stock Units, and any Dividend Equivalents thereon, that are forfeited. The Committee determines when your Service terminates for this purpose.

Leaves of Absence and Part-Time Work

For purposes of this Award, your Service does not terminate when you go on a military leave, a sick leave or another *bona fide* leave of absence, if the leave was approved by the Company in writing. But your Service terminates when the approved leave ends, unless you immediately return to active work.

If you go on a leave of absence that lasts or is expected to last seven days or longer, then vesting will be suspended during the leave to the extent provided for in the Company's leave policy. Upon your return to active work (as determined by the Company), vesting will resume; however, unless otherwise provided in the Company's leave policy, you will not receive credit for any vesting until you work an amount of time equal to the period of your leave.

If you and the Company or a subsidiary of the Company agree to a reduction in your scheduled work hours, then the Company reserves the right to modify the rate at which the Restricted Stock Units, and any Dividend Equivalents thereon, vest, so that the rate of vesting is commensurate with your reduced work schedule. Any such adjustment shall be consistent with the Company's policies for part-time or reduced work schedules or shall be pursuant to the terms of an agreement between you and the Company or a subsidiary of the Company pertaining to your reduced work schedule.

The Company shall not be required to adjust any vesting schedule pursuant to this provision. Further, the vesting schedule shall not be adjusted as described in this provision to the extent that the adjustment would cause the Restricted Stock Units to be subject to, or to violate, Section 409A of the Code.

Settlement / Stock Certificates

No shares of Common Stock shall be issued to you prior to the date on which the Restricted Stock Units vest. After any Restricted Stock Units vest pursuant to this Agreement, the Company shall promptly cause to be issued in book-entry form, registered in your name or in the name of your legal representatives or heirs, as the case may be, the number of shares of Common Stock representing your vested Restricted Stock Units. No fractional shares shall be issued.

Section 409A

This provision applies only if the Company determines that you are a "specified employee," as defined in the regulations under Section 409A of the Code, at the time of your "separation from service," as defined in those regulations. If this paragraph applies, then any Restricted Stock Units, and any Dividend Equivalents thereon, that otherwise would have been settled or paid during the first six months following your separation from service will instead be settled or paid on the first business day following the six-month anniversary of your separation from service, unless the settlement of those units is exempt from Section 409A of the Code.

Stockholder Rights

The Restricted Stock Units do not entitle you to any of the rights of a stockholder of the Company. Your rights, including rights to any Dividend Equivalents, shall remain forfeitable at all times prior to the date on which you vest in your Award. Upon settlement of the Restricted Stock Units into shares of Common Stock, you will obtain full voting and other rights as a stockholder of the Company.

Units Restricted

You may not sell, transfer, pledge or otherwise dispose of any Restricted Stock Units or rights under this Agreement other than by will or by the laws of descent and distribution.

Withholding Taxes

Regardless of any action the Company and/or, if different, the Subsidiary of the Company which employs you (the "***Employer***") take with respect to any or all income tax (including U.S. federal, state and local tax and/or non-U.S. tax), social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related withholding ("***Tax-Related Items***"), you acknowledge that the ultimate liability for all Tax-Related Items legally due by you is and remains your responsibility and that the Company and/or the Employer: (a) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Restricted Stock Units, including the award of the Restricted Stock Units, the vesting of the Restricted Stock Units, the issuance of shares of Common Stock in settlement of the Restricted Stock Units, the subsequent sale of shares acquired at vesting, the receipt of any Dividend Equivalents and the receipt of any dividends; and (b) do not commit to structure the terms of this Award or any aspect of the Restricted Stock Units to reduce or eliminate your liability for Tax-Related Items. Prior to the relevant taxable event, you shall pay or make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all withholding obligations for Tax-Related Items of the Company and/or the Employer. With the Company's consent, these arrangements may include (i) withholding from any cash Dividend Equivalents or shares of Company stock that otherwise would be issued to you when they vest, (ii) surrendering shares that you previously acquired, (iii) deducting the withholding taxes from any cash compensation payable to you or (iv) withholding from proceeds of the sale of shares of Common Stock issued upon settlement of the Restricted Stock Units. Notwithstanding the foregoing, if you are an officer of the Company under Section 16 of the Exchange Act, any withholding or surrender of shares of Common Stock pursuant to (i) or (ii) hereof will be approved in advance by the Board or Committee to the extent necessary to qualify such transaction as exempt under Exchange Act Rule 16b-3. The fair market value of the shares you surrender, determined as of the date taxes otherwise would have been withheld in cash, will be applied as a credit against the withholding taxes.

The Company may refuse to deliver the shares of Common Stock to you if you fail to comply with your obligations in connection with the Tax-Related Items as described in this provision.

Restrictions on Resale

You agree not to sell any shares of Common Stock you receive under this Agreement at a time when applicable laws, regulations, Company trading policies (including the Company's Insider Trading Policy, a copy of which can be found on the Company's intranet) or an agreement between the Company and its underwriters prohibit a sale. This restriction will apply as long as your Service continues and for such period of time after the termination of your Service as the Company may specify.

No Retention Rights

Except to the extent provided specifically in an agreement between you and the Company, neither this Award nor this Agreement gives you the right to be employed or retained by the Company or a subsidiary of the Company in any capacity; the Company and its subsidiaries reserve the right to terminate your Service at any time, with or without cause.

In accepting this Award, you acknowledge that: (a) the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time, unless otherwise provided in the Plan and this Agreement; (b) the Award is voluntary and occasional and does not create any contractual or other right to receive future awards of Restricted Stock Units, and any Dividend Equivalents thereon, or benefits in lieu of Restricted Stock Units, and any Dividend Equivalents thereon, even if Restricted Stock Units have been granted in the past; (c) all decisions with respect to future awards, if any, will be at the sole discretion of the Company; (d) your participation in the Plan is voluntary; (e) your participation in the Plan shall not create a right to further employment with your Employer and shall not interfere with the ability of your Employer to terminate your Service at any time with or without cause; (f) the Award is an extraordinary item that does not constitute compensation of any kind for services of any kind rendered to the Company or any subsidiary of the Company, and that is outside the scope of your employment or service contract, if any; (g) the Award is not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculation of any severance, resignation, termination, redundancy, end of service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for the Company or any subsidiary of the Company; (h) in the event that you are not an employee of the Company, the Award and your participation in the Plan will not be interpreted to form an employment or service contract or relationship with the Company and, furthermore, the Award and your participation in the Plan will not be interpreted to form an employment or service contract or relationship with the Employer or any other subsidiary of the Company; (i) the future value of the underlying shares of Common Stock is unknown and cannot be predicted with certainty; (j) in consideration of the Award, no claim or entitlement to compensation or damages shall arise from termination of the Award or from any diminution in value of the Award or shares of Common Stock acquired upon vesting of the Award resulting from termination of Service (for any reason whatsoever and whether or not in breach of local labor laws); (k) the Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding your participation in the Plan or your acquisition or sale of the underlying shares of Common Stock; and (l) you are hereby advised to consult with your own personal tax, legal and financial advisors regarding your participation in the Plan before taking any action related to the Plan.

Adjustments

In the event of a stock split, a stock dividend or a similar change in Company stock, the number of Restricted Stock Units that will vest in any future installments will be adjusted accordingly, as provided for in the Plan.

Repayment/Forfeiture

Any benefits you may receive hereunder shall be subject to repayment or forfeiture as may be required to comply with (i) any applicable listing standards of a national securities exchange adopted in accordance with Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (regarding recovery of erroneously awarded compensation) and any implementing rules and regulations of the U.S. Securities and Exchange Commission adopted thereunder, (ii) recoupment requirements under any other U.S. laws or under the laws of any other jurisdiction and (iii) any policies adopted by the Company to implement such requirements, all to the extent determined by the Company in its discretion to be applicable to you.

Data Privacy Notice and Consent

Data Collection and Usage. The Company and the Employer collect, process and use certain personal information about you, including, but not limited to, your name, home address and telephone number, email address, date of birth, social insurance, passport or other identification number (e.g., resident registration number), salary, nationality, job title, any shares of Common Stock or directorships held in the Company, details of all purchase rights or any other entitlement to shares of Common Stock or equivalent benefits awarded, canceled, exercised, purchased, vested, unvested or outstanding in your favor ("Data"), for the purposes of implementing, administering and managing your participation in the Plan. The legal basis, where required, for the processing of Data is your consent.

Stock Plan Administration Service Providers. The Company will transfer Data to E*TRADE Financial Services, Inc. or Morgan Stanley Smith Barney, which are assisting the Company with the implementation, administration and management of the Plan (the "Designated Broker"). The Company may select different or additional service providers in the future and share Data with such other provider(s) serving in a similar manner. You may be asked to agree on separate terms and data processing practices with the Designated Broker, with such agreement being a condition to the ability to participate in the Plan.

International Data Transfers. The Company and the Designated Broker are based in the United States. Your country or jurisdiction may have different data privacy laws and protections than the United States. For example, the European Commission has issued a limited adequacy finding with respect to the United States that applies only to the extent companies register for the EU-U.S. Privacy Shield program (which the Company currently is not). The Company's legal basis, where required, for the transfer of Data is your consent.

Data Retention. The Company will hold and use Data only as long as is necessary to implement, administer and manage your participation in the Plan, or as required to comply with legal or regulatory obligations, including under tax, exchange control, labor and securities laws.

Voluntariness and Consequences of Consent Denial or Withdrawal. Participation in the Plan is voluntary, and you are providing the consents herein on a purely voluntary basis. If you do not consent, or if you later seek to revoke your consent, your salary from or employment and career with the Employer will not be affected; the only consequence of refusing or you withdrawing consent is that the Company would not be able to grant the Restricted Stock Units or other equity awards to you or administer or maintain such awards.

Data Subject Rights. You may have a number of rights under data privacy laws in your jurisdiction. Depending on where you are based, such rights may include the right to (i) request access or copies of Data the Company processes, (ii) rectification of incorrect Data, (iii) deletion of Data, (iv) restrictions on processing of Data, (v) portability of Data, (vi) lodge complaints with competent authorities in your jurisdiction, and/or (vii) receive a list with the names and addresses of any potential recipients of Data. To receive clarification regarding these rights or to exercise these rights, you can contact the local human resources representative.

By accepting the Restricted Stock Units and indicating consent via the Company's acceptance procedure, you are declaring agreement with the data processing practices described herein and consent to the collection, processing and use of Data by the Company and the transfer of Data to the recipients mentioned above, including recipients located in countries which do not adduce an adequate level of protection from a European (or other non-U.S.) data protection law perspective, for the purposes described above.

Finally, you understand that the Company may rely on a different basis for the processing or transfer of Data in the future and/or request that you provide another data privacy consent. If applicable, you agree that upon request of the Company or the Employer, you will provide an executed acknowledgement or data privacy consent form (or any other agreements or consents) that the Company and/or the Employer may deem necessary to obtain from you for the purpose of administering your participation in the Plan in compliance with the data privacy laws in your country, either now or in the future. You understand and agree that you will not be able to participate in the Plan if you fail to provide any such consent or agreement requested by the Company and/or the Employer.

Insider Trading Restrictions / Market Abuse Laws

You acknowledge that, depending on your or your broker's country or the country in which shares of Common Stock are listed, you may be subject to insider trading restrictions and/or market abuse laws, which may affect your ability to accept, acquire, sell or otherwise dispose of shares of Common Stock, rights to shares of Common Stock (*e.g.*, Restricted Stock Units) or rights linked to the value of shares of Common Stock under the Plan during such times that you are considered to have "inside information" regarding the Company (as defined by the laws or regulations in the applicable jurisdictions or your country). Local insider trading laws and regulations may prohibit the cancellation or amendment of orders you placed before you possessed inside information. Furthermore, you could be prohibited from (i) disclosing the inside information to any third party and (ii) "tipping" third parties or causing them otherwise to buy or sell securities. You should keep in mind that third parties include fellow employees. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. You understand you are responsible for ensuring compliance with any restrictions and should consult with your personal legal advisor on this matter.

Severability

The provisions of this Agreement are severable and if any one or more provisions are determined to be invalid or otherwise enforceable, in whole or in part, the remaining provisions shall continue in effect.

Applicable Law

This Agreement will be interpreted and enforced with respect to issues of contract law under the laws of the State of Delaware (except their choice of law provisions).

For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this grant or this Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the State of California and agree that such litigation shall be conducted only in the courts of San Mateo County, California, U.S.A. or the federal courts for the United States for the Northern District of California, and no other courts, where this grant is made and/or to be performed.

The Plan and Other Agreements

The text of the Plan is incorporated in this Agreement by reference. A copy of the Plan is available on the Company's intranet or by request to the Stock Services Department.

This Agreement and the Plan constitute the entire understanding between you and the Company regarding this Award. Any prior agreements, commitments or negotiations concerning this Award are superseded. This Agreement may be amended only by another written agreement between the parties.

By signing the Notice of Restricted Stock Unit Award, you agree to

All of the terms and conditions described above and in the Plan.

Exhibit 21.1

Subsidiaries of Equinix, Inc.

Entity	Jurisdiction
Equinix (Australia) Enterprises Holdings Pty Limited	Australia
Equinix (Australia) Enterprises Pty Limited	Australia
Equinix Australia Pty Limited	Australia
McLaren Pty Limited	Australia
Metronode (ACT) Pty Limited	Australia
Metronode (NSW) Pty Ltd	Australia
Metronode C1 Pty Limited	Australia
Metronode Group Pty Limited	Australia
Metronode Investments Pty Limited	Australia
Metronode M2 Pty Ltd	Australia
Metronode P2 Pty Limited	Australia
MGH Pegasus Pty Ltd	Australia
Equinix Australia National Pty. Ltd.	Australia
Metronode S2 Pty Ltd	Australia
MGH Bidco Pty Limited	Australia
MGH Finco Pty Limited	Australia
MGH Holdco Pty Ltd	Australia
McLaren Unit Trust	Australia
Equinix do Brasil Soluções de Tecnologia em Informática Ltda.	Brazil
Equinix do Brasil Telecomunicações Ltda.	Brazil
Equinix Colombia, Inc.	British Virgin Islands
Equinix (Bulgaria) Data Centers EOOD	Bulgaria
Equinix (Canada) Enterprises Ltd.	Canada
Equinix Canada Ltd.	Canada
CHI 3, LLC	Delaware, U.S.
DCI Management, Inc.	Delaware, U.S.
DCI Tech Holdings Infomart, LLLP	Delaware, U.S.
Equinix (EMEA) Management, Inc.	Delaware, U.S.
Equinix (Government) LLC	Delaware, U.S.
Equinix (US) Enterprises, Inc.	Delaware, U.S.
Equinix (Velocity) Holding Company	Delaware, U.S.
Equinix Impact LLC	Delaware, U.S.
Equinix LLC	Delaware, U.S.
Equinix Pacific LLC	Delaware, U.S.
Equinix Professional Services, Inc.	Delaware, U.S.
Equinix Government Solutions LLC	Delaware, U.S.
Equinix RP II LLC	Delaware, U.S.
Equinix South America Holdings, LLC	Delaware, U.S.
Infomart Dallas GP, LLC	Delaware, U.S.
Infomart Dallas, LP	Delaware, U.S.
Infomart Holdings, LLC	Delaware, U.S.

Entity	Jurisdiction
Infomart Venture, LLC	Delaware, U.S.
LA4, LLC	Delaware, U.S.
Moran Road Partners, LLC	Delaware, U.S.
NY2 Hartz Way, LLC	Delaware, U.S.
SV1, LLC	Delaware, U.S.
Switch & Data Facilities Company LLC	Delaware, U.S.
Switch & Data LLC	Delaware, U.S.
Switch & Data MA One LLC	Delaware, U.S.
Switch & Data WA One LLC	Delaware, U.S.
Switch & Data/NY Facilities Company LLC	Delaware, U.S.
Switch and Data CA Nine LLC	Delaware, U.S.
Switch And Data NJ Two LLC	Delaware, U.S.
Switch and Data Operating Company LLC	Delaware, U.S.
Switch and Data VA Four LLC	Delaware, U.S.
VDC I, LLC	Delaware, U.S.
VDC II, LLC	Delaware, U.S.
VDC III, LLC	Delaware, U.S.
VDC IV, LLC	Delaware, U.S.
VDC V, LLC	Delaware, U.S.
VDC VI, LLC	Delaware, U.S.
VDC VII, LLC	Delaware, U.S.
VDC VIII, LLC	Delaware, U.S.
Equinix Hyperscale (LP) LLC	Delaware, U.S.
Equinix Hyperscale (GP) LLC	Delaware, U.S.
Equinix (Finland) Enterprises Oy	Finland
Equinix (Finland) Oy	Finland
Equinix (France) Enterprises SAS	France
Equinix (Real Estate) Holdings SC	France
Equinix (Real Estate) SCI	France
Equinix France SAS	France
Equinix (Germany) Enterprises GmbH	Germany
Equinix (Germany) GmbH	Germany
Equinix (Real Estate) GmbH	Germany
Upminster GmbH	Germany
Equinix Hyperscale 1 (FR9) GmbH	Germany
Equinix Hyperscale 1 (FR11) GmbH	Germany
Equinix (Hong Kong) Enterprises Limited	Hong Kong
Equinix Hong Kong Limited	Hong Kong
CHI 3 Procurement, LLC	Illinois, U.S.
Equinix (Ireland) Enterprises Limited	Ireland
Equinix (Ireland) Limited	Ireland
Equinix (Italia) Enterprises S.r.l.	Italy
Equinix Italia S.r.l.	Italy
Open Hub Med Societa Consortile a responsabilita limitata	Italy
Equinix (Japan) Enterprises K.K.	Japan

Entity	Jurisdiction
Equinix (Japan) Technology Services K.K.	Japan
Equinix Japan K.K (in Kanji)	Japan
Metronode New Zealand Limited	New Zealand
Equinix Muscat LLC	Oman
Equinix Middle East Services LLC	Oman
Equinix (China) Investment Holding Co., Ltd (亿利互连 (中国) 投资有限公司)	People's Republic of China
Equinix Information Technology (Shanghai) Co., Ltd. (亿利互连信息技术 (上海) 有限公司)	People's Republic of China
Equinix WGQ Information Technology (Shanghai) Co., Ltd. (亿利互连 (上海) 通讯科技有限公司)	People's Republic of China
Equinix YP Information Technology (Shanghai) Co., Ltd. (亿利互连数据系统 (上海) 有限公司)	People's Republic of China
Gaohong Equinix (Shanghai) Information Technology Co., Ltd (高鸿亿利 (上海) 信息技术有限公司)	People's Republic of China
Equinix (Poland) Technology Services sp. z o.o.	Poland
Equinix (Poland) Enterprises sp. z o.o.	Poland
Equinix (Poland) sp. z o.o.	Poland
Equinix (Portugal) Data Centers, S.A.	Portugal
Equinix II (Portugal) Enterprises Data Centers, Unipessoal Lda	Portugal
Equinix Korea LLC	Republic of Korea
Equinix (Singapore) Enterprises Pte. Ltd.	Singapore
Equinix Asia Pacific Holdings Pte. Ltd.	Singapore
Equinix Asia Pacific Pte. Ltd.	Singapore
Equinix Singapore Holdings Pte. Ltd.	Singapore
Equinix Singapore Pte. Ltd.	Singapore
Equinix (Spain) Enterprises, S.L.U.	Spain
Equinix (Spain), S.A.U.	Spain
Equinix (Sweden) AB	Sweden
Equinix (Sweden) Enterprises AB	Sweden
Equinix (Switzerland) Enterprises GmbH	Switzerland
Equinix (Switzerland) GmbH	Switzerland
EMEA Hyperscale 1 C.V.	The Netherlands
Equinix Hyperscale 1 Holdings B.V.	The Netherlands
Equinix (EMEA) Acquisition Enterprises B.V.	The Netherlands
Equinix (EMEA) B.V.	The Netherlands
Equinix (Netherlands) B.V.	The Netherlands
Equinix (Netherlands) Enterprises B.V.	The Netherlands
Equinix (Netherlands) Holdings B.V.	The Netherlands
Equinix (Real Estate) B.V.	The Netherlands
Virtu Secure Webservices B.V.	The Netherlands
Equinix (EMEA) Hyperscale Services B.V.	The Netherlands
Equinix Turkey Data Merkezi Üretim Inşaat Sanayi ve Ticaret Anonim Sirketi	Turkey
Equinix Turkey Enterprises Data Merkezi Üretim Inşaat Sanayi ve Ticaret Anonim Sirketi	Turkey
Equinix Middle East FZ-LLC	United Arab Emirates
Equinix Hyperscale 1 (LD11) Limited	United Kingdom
Equinix (Services) Limited	United Kingdom

Entity	**Jurisdiction**
Equinix (UK) Enterprises Limited	United Kingdom
Equinix (UK) Limited	United Kingdom
Equinix Hyperscale (France) Holdings SAS	France
Equinix Hyperscale 1 (PA9) SAS	France
Equinix Hyperscale 1 (PA8) SAS	France
Equinix Hyperscale 1 (UK) Financing Limited	United Kingdom
Equinix Hyperscale 1 (LD13) Limited	United Kingdom
Equinix Canada (TR3) Ltd.	Canada
Equinix (MA5) Limited	United Kingdom
Equinix (Poland) Services sp. z o.o	Poland
Equinix Hyperscale 1 (TY14) TMK	Japan
Equinix Hyperscale 1(OS2) TMK	Japan
Equinix Hyperscale 1 (TY12)TMK	Japan
Equinix Information Technologies (India) Private Limited	India
Equinix Mexico Holdings, S. de R.L. de C.V.	Mexico
Packet Host, Inc.	Delaware
PacketHost, Inc.,	Philippines
Packet Host, Ltd.	Japan
Packet Host Pte. Ltd.	Singapore
Equinix MX Sales, S. de R.L. de C.V., CO 0332,	Mexico
Equinix Apodaca, S. de R.L. de C.V.	Mexico
Equinix Queretaro, S. de R.L. de C.V.	Mexico
Equinix MX Services, S.A. de C.V.	Mexico
Equinix APAC 1 Hyperscale Holdings 1 Pte. Ltd.	Singapore
Equinix APAC 1 Hyperscale Holdings 2 Pte. Ltd.	Singapore
Equinix (FR-A) GmbH	Germany
Mertus 599. GmbH	Germany
Equinix Hyperscale (GP) Pte. Ltd.	Singapore
Equinix APAC Hyperscale 1 (LP) LLC	Delaware
Equinix (APAC) Hyperscale Services Pte. Ltd.	Singapore
APAC 1 Hyperscale LP	Singapore
Equinix APAC 1 Hyperscale Holdings Pte. Ltd.	Singapore

Exhibit 31.1

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Charles Meyers, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Equinix, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Charles Meyers

Charles Meyers
Chief Executive Officer and President
Dated: May 7, 2020

Exhibit 31.2

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Keith D. Taylor, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Equinix, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

/s/ Keith D. Taylor

Keith D. Taylor
Chief Financial Officer
Dated: May 7, 2020

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Equinix, Inc. (the “Company”) on Form 10-Q for the period ending March 31, 2020, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Charles Meyers, Chief Executive Officer and President of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Charles Meyers

Charles Meyers
Chief Executive Officer and President

May 7, 2020

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Equinix, Inc. (the “Company”) on Form 10-Q for the period ending March 31, 2020, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Keith D. Taylor, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Keith D. Taylor

Keith D. Taylor
Chief Financial Officer

May 7, 2020