EQUINIX INC
Form DEF 14A
April 28, 2005

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

(Amendment No.)

Filed by the Registrant x

Filed by a Party other than the Registrant ¨

Check the appropriate box:

¨ PreliminaryProxy Statement ¨ **Confidential, for Use of the Commission Only(as Permitted by Rule 14a-6(e)(2))**
x Definitive Proxy Statement
¨ Definitive Additional Materials
¨ Soliciting Material Pursuant to §240.14a-11(c) or §240.14a-12

Equinix, Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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1. Amount Previously Paid:

2. Form, Schedule or Registration Statement No.:

3. Filing Party:

4. Date Filed:

Notes:

EQUINIX, INC.

301 Velocity Way, Fifth Floor

Foster City, CA 94404

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To be held June 2, 2005

The Annual Meeting of Stockholders (the Annual Meeting) of Equinix, Inc. (the Company) will be held at the Company s headquarters located at 301 Velocity Way, Foster City, California, on Thursday, June 2, 2005, at 10:30 a.m. for the following purposes:

1. To elect nine (9) directors of the Board of Directors to serve until the next Annual Meeting or until their successors have been duly elected and qualified;

2. To ratify the appointment of PricewaterhouseCoopers LLP as the Company s independent registered public accounting firm for the fiscal year ending December 31, 2005; and

3. To transact such other business as may properly come before the meeting or any adjournments or postponements thereof.

The foregoing items of business are more fully described in the attached Proxy Statement.

Only stockholders of record at the close of business on April 21, 2005 are entitled to notice of, and to vote at, the Annual Meeting and at any adjournments or postponements thereof. A list of such stockholders will be available for inspection at the Company s headquarters located at 301 Velocity Way, Fifth Floor, Foster City, California, during ordinary business hours for the ten-day period prior to the Annual Meeting.

BY ORDER OF THE BOARD OF DIRECTORS,

/s/ Peter F. Van Camp

Peter F. Van Camp

Chief Executive Officer and Director

Foster City, California

April 29, 2005

IMPORTANT

WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL MEETING, PLEASE COMPLETE, SIGN, DATE AND PROMPTLY RETURN THE ACCOMPANYING PROXY IN THE ENCLOSED POSTAGE-PAID ENVELOPE. YOU MAY REVOKE YOUR PROXY AT ANY TIME PRIOR TO THE ANNUAL MEETING. IF YOU DECIDE TO ATTEND THE ANNUAL MEETING AND WISH TO CHANGE YOUR PROXY VOTE, YOU MAY DO SO AUTOMATICALLY BY VOTING IN PERSON AT THE MEETING.

EQUINIX, INC.

301 Velocity Way, Fifth Floor

Foster City, CA 94404

PROXY STATEMENT

FOR ANNUAL MEETING OF STOCKHOLDERS

To be held June 2, 2005

These proxy materials are furnished in connection with the solicitation of proxies by the Board of Directors of Equinix, Inc., a Delaware corporation (the Company), for the Annual Meeting of Stockholders (the Annual Meeting) to be held at the Company s headquarters located at 301 Velocity Way, Foster City, California, on Thursday, June 2, 2005, at 10:30 a.m., and at any adjournment or postponement of the Annual Meeting. These proxy materials were first mailed to stockholders on or about April 29, 2005.

PURPOSE OF MEETING

The specific proposals to be considered and acted upon at the Annual Meeting are summarized in the accompanying Notice of Annual Meeting of Stockholders. Each proposal is described in more detail in this Proxy Statement.

VOTING RIGHTS AND SOLICITATION OF PROXIES

The Company s common stock and series A preferred stock are the only type of securities entitled to vote at the Annual Meeting. On April 21, 2005, the record date for determination of stockholders entitled to vote at the Annual Meeting, there were 23,596,161 shares of common stock outstanding and 1,868,667 shares of series A preferred stock outstanding. Each stockholder of record on April 21, 2005 is entitled to one vote for each share of common stock or series A preferred stock held by such stockholder on April 21, 2005. All votes will be tabulated by the inspector of elections appointed for the meeting, who will separately tabulate affirmative and negative votes, abstentions and broker non-votes.

Quorum Required

The Company s by-laws provide that the holders of a majority of the Company s common stock and voting preferred stock issued and outstanding and entitled to vote at the Annual Meeting, present in person or represented by proxy, shall constitute a quorum for the transaction of business at the Annual Meeting. Abstentions and broker non-votes will be counted as present for the purpose of determining the presence of a quorum.

Votes Required

Proposal 1. Directors are elected by a plurality of the affirmative votes cast by those shares present in person, or represented by proxy, and entitled to vote at the Annual Meeting. The nine (9) nominees for director receiving the highest number of affirmative votes will be elected. Abstentions and broker non-votes will not be counted toward a nominee s total.

Proposal 2. Ratification of the appointment of PricewaterhouseCoopers LLP as the Company s independent registered public accounting firm for the fiscal year ending December 31, 2005 requires the affirmative vote of a majority of those shares present in person, or represented by proxy, and cast either affirmatively or negatively at the Annual Meeting. Abstentions and broker non-votes will not be counted as having been voted on the proposal.

Proxies

Whether or not you are able to attend the Company s Annual Meeting, you are urged to complete and return the enclosed proxy, which is solicited by the Company s Board of Directors and which will be voted as you direct on your proxy when properly completed. In the event no directions are specified, such proxies will be voted FOR the nominees of the Board of Directors (as set forth in Proposal 1), FOR Proposal 2 and in the discretion of the proxy holders as to other matters that may properly come before the Annual Meeting. You may also revoke or change your proxy at any time before the Annual Meeting. To do this, send a written notice of revocation or another signed proxy with a later date to the Secretary of the Company at the Company s principal executive offices before the beginning of the Annual Meeting. You may also automatically revoke your proxy by attending the Annual Meeting and voting in person. All shares represented by a valid proxy received prior to the Annual Meeting will be voted.

Solicitation of Proxies

The Company will bear the entire cost of solicitation, including the preparation, assembly, printing, and mailing of this Proxy Statement, the proxy, and any additional soliciting material furnished to stockholders. Copies of solicitation material will be furnished to brokerage houses, fiduciaries, and custodians holding shares in their names that are beneficially owned by others so that they may forward this solicitation material to such beneficial owners. In addition, the Company may reimburse such persons for their costs of forwarding the solicitation material to such beneficial owners. The original solicitation of proxies by mail may also be supplemented by solicitation by telephone, telegram, or other means by directors, officers or employees. No additional compensation will be paid to directors, officers or employees for such services.

PROPOSAL 1

ELECTION OF DIRECTORS

The nine (9) directors who are being nominated for election by the holders of common stock and series A preferred stock to the Board of Directors (the Nominees), their ages as of April 1, 2005, their positions and offices held with the Company and certain biographical information are set forth below. The proxy holders intend to vote all proxies received by them in the accompanying form FOR the Nominees listed below unless otherwise instructed. In the event any Nominee is unable or declines to serve as a director at the time of the Annual Meeting the proxies will be voted for any nominee who may be designated by the present Board of Directors to fill the vacancy. As of the date of this Proxy Statement, the Board of Directors is not aware of any Nominee who is unable or will decline to serve as a director. The nine (9) nominees receiving the highest number of affirmative votes of the shares entitled to vote at the Annual Meeting will be elected directors of the Company to serve until the next Annual Meeting or until their successors have been duly elected and qualified.

Nominees	Age	Positions and Offices Held with the Company
Theng Kiat Lee	51	Chairman of Board
Steven T. Clontz	54	Director
Steven P. Eng (1) (2) (3)	48	Director
Gary Hromadko	52	Director
Scott Kriens (1) (2)	47	Director
Andrew S. Rachleff (2) (3)	46	Director
Dennis R. Raney (3)	62	Director
Peter F. Van Camp (4)	49	Director and Chief Executive Officer
Michelangelo Volpi (1)	38	Director

(1) Member of Compensation Committee

(2) Member of Nominating Committee

(3) Member of Audit Committee

(4) Member of Option Committee

Theng Kiat Lee has served as the chairman of the board since December 2002. Mr. Lee has been president and chief executive officer of Singapore Technologies Telemedia Pte. Ltd, an information and communications company, since November 1995. Mr. Lee also serves on the board of directors of several public companies including StarHub Ltd, TeleChoice International Limited and Global Voice Group Limited, each a public-listed company in Singapore, Global Crossing Limited, as well as several privately held and non-listed public companies in Singapore and elsewhere.

Steven Clontz has served as a director of Equinix since April 2005. Mr. Clontz has been president and chief executive officer of StarHub Ltd., a telecommunications and cable television company since January 1999. Mr. Clontz serves on the board of directors of InterDigital Communications Corp. and StarHub Ltd. Mr. Clontz is also a non-director member of the Executive Committee of Global Crossing Limited.

Steven Eng has served as a director of Equinix since December 2002. Mr. Eng has been a director of network management systems at Netco Government Services, formerly known as WAM!NET Government Services, Inc., since April 2002. Prior to joining WAM!NET Mr. Eng previously served as vice president of Exodus Communications from March 1995 to September 2001.

Gary Hromadko has served as a director of Equinix since June 2003. Mr. Hromadko has been a venture partner at Crosslink Capital, a venture capital firm, since June 2002. In addition to his responsibilities with Crosslink Capital, Mr. Hromadko has been active as a private investor since 1993. Mr. Hromadko serves on the board of directors at Electric Cloud, Inc. and Good Technology Inc., both privately held companies.

Scott Kriens has served as a director of Equinix since July 2000. Mr. Kriens has been president, chief executive officer and chairman of the board of directors of Juniper Networks, Inc., an Internet infrastructure solutions company, since January 1996. From April 1986 to January 1996, Mr. Kriens served as vice president of sales and vice president of operations at StrataCom, Inc., a telecommunications equipment company, which he co-founded in 1986. Mr. Kriens serves on the board of directors of Verisign, Inc. and Juniper Networks, Inc., both public companies.

Andrew Rachleff has served as a director of Equinix since September 1998. In May 1995, Mr. Rachleff co-founded Benchmark Capital, a venture capital firm, and has served as a general partner since that time. Prior to co-founding Benchmark Capital, Mr. Rachleff spent ten years as a general partner with Merrill, Pickard, Anderson & Eyre, a venture capital firm. Mr. Rachleff also serves on the board of directors of Blue Coat Systems, Inc., a public company, as well as several privately held companies.

Dennis Raney has served as a director of Equinix since April 2003. Mr. Raney was the chief financial officer of eONE Global, LP from July 2001 to May 2003. Prior to joining eONE Global, Mr. Raney held the position of chief financial officer and executive vice president at Novell Inc. from March 1998 to July 2001. Mr. Raney also serves on the board of directors of Ultratech, Inc., Easylink and Viewpoint, all publicly held companies.

Peter Van Camp has served as Equinix s chief executive officer and as a director since May 2000. From June 2001 to December 2002, Mr. Van Camp was also chairman of the board. From January 1997 to May 2000, Mr. Van Camp was employed at UUNET, the Internet division of MCI (formerly known as WorldCom), where he served as president of Internet markets and as president of the Americas region. During the period from May 1995 to January 1997, Mr. Van Camp was president of Compuserve Network Services, an Internet access provider. Before holding this position, Mr. Van Camp held various positions at Compuserve, Inc. during the period between October 1982 to May 1995. Mr. Van Camp currently serves as a director of Packeteer, Inc., a public company.

Michelangelo Volpi has served as a director of Equinix since November 1999. Mr. Volpi joined Cisco Systems, Inc. (Cisco), a data communications equipment manufacturer, in 1994. Currently, he holds the position of senior vice president and general manager for Cisco s routing technology group. Prior to his current position, Mr. Volpi was chief strategy officer for Cisco where he played an instrumental role in the creation of Cisco s acquisition and investment strategies. Before joining Cisco, Mr. Volpi spent three years at Hewlett Packard s Optoelectronics Division. Mr. Volpi currently serves as a director of Opsware, Inc., a public company.

Nomination of Board of Directors

The Nominating Committee operates pursuant to a written charter and has the exclusive right to recommend candidates for election as directors to the Board. The Nominating Committee believes that candidates for director should have certain minimum qualifications, including being able to read and understand basic financial statements, having high moral character, having business experience, and being over 21 years of age. The committee s process for identifying and evaluating nominees is as follows: in the case of incumbent directors whose terms of office are set to expire, the Nominating Committee reviews such directors overall service to the Company during their term, including the number of meetings attended, level of participation, quality of performance, and any transactions of such directors with the Company during their term. In the case of new director candidates, the committee first determines whether the nominee must be independent for NASDAQ purposes, which determination is based upon the Company s Certificate of Incorporation and Bylaws, applicable securities laws, the rules and regulations of the SEC, the rules of the National Association of Securities Dealers, and the advice of counsel, if necessary. The committee may then use its network of contacts to compile a list of potential candidates, but may also engage, if it deems appropriate, a professional search firm. The committee will then meet to discuss and consider such candidates qualifications and choose candidate(s) for recommendation to the Board of Directors. At the Annual Meeting, one director, Mr. Steven Clontz, will stand for election by the Company s stockholders for the first time. Mr. Clontz was recommended for election by one of the Company s security holders and was evaluated and formally nominated by the Company s Nominating Committee in accordance with the procedures described above.

Stockholders wishing to recommend candidates for consideration by the Nominating Committee may do so by writing to the Secretary of the Company and providing the candidate s name, biographical data and

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qualifications. The Nominating Committee does not intend to alter the manner in which it evaluates candidates, including the minimum criteria set forth above, based on whether the candidate was recommended by a stockholder. A more detailed description on the functions of the Nominating Committee can be found in the Company s Nominating Committee Charter, attached to this proxy as Appendix A.

Board of Directors Meetings and Committees

During the fiscal year ended December 31, 2004, the Board of Directors held six (6) meetings and acted by written consent on one (1) occasion. For the fiscal year, each of the directors, during the term of their tenure, attended or participated in at least 75% of the aggregate of (i) the total number of meetings or actions by written consent of the Board of Directors and (ii) the total number of meetings held by all committees of the Board of Directors on which each such director served other than Michelangelo Volpi who attended or participated in 73% of the applicable Board and committee meetings. The Company, the Nominating Committee and the Board consider Mr. Volpi to be a valuable contributor to the Company s Board of Directors. In the event any director missed a meeting, he would separately discuss material items with Peter Van Camp, a Director of the Company and Chief Executive Officer. The Board of Directors has four (4) standing committees: the Audit Committee, the Compensation Committee, the Nominating Committee and the Option Committee.

The Audit Committee of the Company s Board of Directors (the Audit Committee) was created on July 19, 2000. The Audit Committee reviews, acts on and reports to the Board of Directors with respect to various auditing and accounting matters, including the selection of the Company s independent accountants, the scope of the annual audits, fees to be paid to the Company s independent accountants, the performance of the Company s accountants and the accounting and internal control practices of the Company. The members of the Audit Committee are Messrs. Eng, Rachleff and Raney. During the fiscal year ended December 31, 2004, the Audit Committee of the Board of Directors held eight (8) meetings.

The Compensation Committee of the Company s Board of Directors (the Compensation Committee) was created on July 19, 2000. The Compensation Committee reviews the performance of the executive officers of the Company, establishes compensation programs for the officers, and reviews the compensation programs for other key employees, including salary and cash bonus levels and option and stock grants under the Company s equity incentive and stock purchase plans. The members of the Compensation Committee are Messrs. Eng, Kriens and Volpi. During the fiscal year ended December 31, 2004, the Compensation Committee of the Board of Directors held two (2) meetings and acted by written consent on two (2) occasions.

The Nominating Committee of the Company s Board of Directors (the Nominating Committee) was created December 30, 2002. The Nominating Committee develops qualification criteria for board members and selects the director nominees for each annual meeting of stockholders in accordance with the Company s by-laws. The members of the Nominating Committee are Messrs. Eng, Kriens and Rachleff. During the fiscal year ended December 31, 2004, the Nominating Committee held one (1) meeting.

The Option Committee of the Company s Board of Directors (the Option Committee) was created on July 19, 2000. The Board has delegated to the Option Committee the authority to approve the grant of stock options to non-officer employees and other individuals. The sole member of the Option Committee during the 2004 fiscal year was Mr. Van Camp. During the fiscal year ended December 31, 2004, the Option Committee held no meetings and acted by written consent on sixty-two (62) occasions**.**

Independence of Directors

The Board of Directors is composed of nine directors, six of whom qualify as independent directors pursuant to the rules adopted by the Securities and Exchange Commission applicable to the corporate governance standards for companies listed on the NASDAQ National Market System. The Board of Directors has determined Messrs. Eng, Hromadko, Kriens, Rachleff, Raney and Volpi to be independent under NASDAQ Rule 4200. The Board committee structure includes Audit, Compensation and Nominating committees consisting entirely of independent directors.

Board of Directors Guidelines

The Board of Directors follows the Equinix, Inc. Board of Directors Guidelines on Significant Corporate Governance Issues (the Guidelines) attached to this proxy as Appendix B. The Guidelines reflect the Board s dedication to monitoring the effectiveness of policy and decision-making at the Board level. The Board will continue to monitor the effectiveness of these guidelines as business and corporate governance needs dictate.

Communication with the Board of Directors

Interested parties may contact the Board of Directors by sending correspondence to the attention of the Company s Assistant Secretary, c/o Equinix, Inc., 301 Velocity Way, Fifth Floor, Foster City, California 94404. Any mail received by the Assistant Secretary, except improper commercial solicitations, will be forwarded to the members of the Company s Audit Committee for their further action, if necessary. The Company does not have a policy requiring attendance by members of the Board of Directors at the Company s annual meeting. At the Company s 2004 Annual Meeting, Peter Van Camp, a member of the Company s Board of Directors and the Company s Chief Executive Officer, was in attendance and available for questions.

Compensation of Directors

Independent directors are eligible to receive compensation of $3,000 per quarter in connection with their service on the Board of Directors. In addition, independent directors are eligible to receive compensation of $3,000 per meeting of a committee of the Board of Directors actually attended and the Chairman of a committee receives compensation of $5,000 per meeting actually attended. Independent directors are also reimbursed for their out-of-pocket expenses in serving on the Board of Directors or any committee of the Board of Directors. Independent directors are eligible to receive options under the Company s 2000 Director Option Plan (the Directors Plan). Directors are also eligible to receive options as well as shares of common stock under the Company s 2000 Equity Incentive Plan and directors who are also employees of the Company are eligible to participate in the Company s Employee Stock Purchase Plan. Each independent director receives an option for 7,000 shares of the Company s common stock upon joining the Board. The option becomes exercisable and vests in four equal annual installments from the date of grant. In addition, at each of the Company s annual stockholders meetings, each independent director who will continue to be a director after that meeting will automatically be granted at that meeting an option for 2,500 shares of the Company s common stock. This option becomes fully exercisable and fully vested on the first anniversary of the date of grant. However, a new director who is receiving the initial option will not receive the annual option in the same calendar year.

On June 3, 2004, the Company granted an option to purchase 2,500 shares of the Company s common stock to each of Messrs. Eng, Kriens, Rachleff, and Raney, at an exercise price per share of $30.74 under the Directors Plan. On the date of the Annual Meeting, each of Messrs. Eng, Hromadko, Kriens, Rachleff, and Raney will receive an additional option to purchase 2,500 shares of the Company s common stock under the Directors Plan.

Recommendation of the Board of Directors

THE BOARD OF DIRECTORS RECOMMENDS A VOTE **FOR** THE NOMINEES LISTED ABOVE.

Other Executive Officers

The following are additional executive officers of the Company, their ages as of April 1, 2005, their positions and offices held with the Company and certain biographical information. All executive officers serve at the discretion of the Board of Directors.

Executive Officers	Age	Positions and Offices Held with the Company
Marjorie S. Backaus	43	Chief Business Officer
Peter T. Ferris	47	Vice President, Sales
Brandi L. Galvin	32	General Counsel and Assistant Secretary
Sushil K. Kapoor	58	Vice President, Operations
Philip J. Koen	53	President and Chief Operating Officer
Renée F. Lanam	42	Chief Financial Officer and Secretary
Keith D. Taylor	43	Vice President, Finance and Chief Accounting Officer

Marjorie Backaus has served as Equinix s chief business officer since June 2003. Prior to June 2003, Ms. Backaus served as Equinix s chief marketing officer since November 1999, and as vice president of market strategy since February 2000. During the period from August 1996 to November 1999, Ms. Backaus was vice president of marketing at Global One, an international telecommunications company. From November 1987 to August 1996, Ms. Backaus served in various positions at AT&T, a telecommunications company, including positions in regulatory, product management and strategic alliances.

Peter Ferris has served as Equinix s vice president, sales since July 1999. During the period from June 1997 to July 1999, Mr. Ferris was vice president of sales for Frontier Global Center, a provider of complex web site hosting services. From June 1996 to June 1997, Mr. Ferris served as vice president, eastern sales at Genuity Inc., an Internet services provider. From December 1993 to June 1996, Mr. Ferris was vice president, mid-Atlantic sales at MFS DataNet Inc., a telecommunications services provider.

Brandi Galvin has served as Equinix s general counsel and assistant secretary since January 2003. Before joining Equinix, Ms. Galvin was employed at the law firm of Gunderson Dettmer Stough Villeneuve Franklin & Hachigian, LLP (Gunderson Dettmer), where she was an associate from September 1997 to January 2003.

Sushil Kapoor has served as Equinix s vice president, operations since March 2001. Prior to joining Equinix, Mr. Kapoor was vice president of hosting operations at UUNET, the Internet division of MCI (formerly known as WorldCom) from May 1995 to February 2001.

Philip Koen has served as Equinix s president and chief operating officer since May 2001. From July 1999 to May 2001, Mr. Koen also served as Equinix s chief financial officer and secretary. In addition, Mr. Koen served as the Company s corporate development officer from May 2000 to May 2001. Before joining Equinix, Mr. Koen was employed at PointCast, Inc., an Internet company, where he served as chief executive officer during the period from March 1999 to June 1999; chief operating officer during the period from November 1998 to March 1999; and chief financial officer and executive vice president responsible for software development and network operations during the period from July 1997 to November 1998. From December 1993 to May 1997, Mr. Koen was vice president of finance and chief financial officer of Etec Systems, Inc., a semi-conductor equipment company. Mr. Koen currently serves as director of Sphera Corporation, a private company.

Renée Lanam has served as Equinix s chief financial officer and secretary since February 2002, and as general counsel from April 2000 to January 2003. From April 2000 to February 2002, Ms. Lanam also served as Equinix s assistant secretary. In addition, Ms. Lanam served as vice president of corporate finance from November 2001 to February 2002. Before joining Equinix, Ms. Lanam was employed at Gunderson Dettmer, where she was an associate from January 1996 to January 2000 and a partner from January 2000 to April 2000. Prior to joining Gunderson Dettmer, Ms. Lanam was an associate at the law firms of Jackson, Tufts, Cole & Black and Brobeck, Phleger & Harrison, LLP.

Keith Taylor has served as Equinix s vice president, finance and chief accounting officer since February 2001. From February 1999 to February 2001, Mr. Taylor served as Equinix s director of finance and administration. Before joining Equinix, Mr. Taylor was employed by International Wireless Communications, Inc., an operator, owner and developer of wireless communication networks, as vice president finance and interim chief financial officer. Prior to joining International Wireless Communications, Inc., Mr. Taylor was employed by Becton Dickinson & Company, a medical and diagnostic device manufacturer, as a senior sector analyst for the diagnostic businesses in Asia, Latin America and Europe.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth, as of February 28, 2005, certain information with respect to shares beneficially owned by (i) each person who is known by the Company to be the beneficial owner of more than five percent of the Company s outstanding shares of common stock, (ii) each of the Company s directors and nominees, (iii) each of the executive officers named in Executive Compensation and Related Information, and (iv) all current directors and executive officers as a group. Beneficial ownership has been determined in accordance with Rule 13d-3 under the Securities Exchange Act of 1934, as amended (the Exchange Act). Under this rule, certain shares may be deemed to be beneficially owned by more than one person (if, for example, persons share the power to vote or the power to dispose of the shares). In addition, shares are deemed to be beneficially owned by a person if the person has the right to acquire shares (for example, upon exercise of an option or warrant) within sixty (60) days of the date as of which the information is provided. In computing the percentage ownership of any person, the amount of shares is deemed to include the amount of shares beneficially owned by such person (and only such person) by reason of such acquisition rights. As a result, the percentage of outstanding shares of any person as shown in the following table does not necessarily reflect the person s actual voting power at any particular date. Unless otherwise indicated, the address for each listed stockholder is c/o Equinix, Inc., 301 Velocity Way, Fifth Floor, Foster City, California 94404.

	Shares Beneficially Owned	
Name of Beneficial Owner	**Number of Shares**	**Percentage of Total**
Peter F. Van Camp (1)	388,837	1.63%
Steven T. Clontz	0	
Steven P. Eng (2)	6,000	*
Gary Hromadko (3)	150,000	*
Scott Kriens (4)	4,376	*
Theng Kiat Lee (5)	0	
Andrew S. Rachleff (6)	9,405	*
Dennis R. Raney (7)	6,500	*
Michelangelo Volpi (8)	0	
Peter T. Ferris (9)	84,215	*
Brandi L. Galvin (10)	18,267	*
Philip J. Koen (11)	102,097	*
Renee F. Lanam (12)	85,420	*
Entities affiliated with STT Communications Ltd. (13) 51 Cuppage Road, #10-11/17 StarHub Centre Singapore 229469	10,173,119	38.38%
Entities affiliated with Crosslink Capital, Inc. (14) Two Embarcadero Center, Suite 2200 San Francisco, CA 94111	1,329,180	5.67%
All current directors and executive officers as a group (16 persons)(15)	1,018,686	4.20%

* Less than 1%.

(1) Represents 388,837 shares subject to options exercisable within 60 days of February 28, 2005.

(2) Represents 6,000 shares subject to options that are exercisable within 60 days of February 28, 2005.

(3) Based on the Schedule 13D filed with the Securities and Exchange Commission on March 23, 2005, this includes 125,000 shares which were acquired upon conversion of the Series A-2 convertible secured notes. Mr. Hromadko is a venture partner of Crosslink Capital, Inc., however, he is not deemed to beneficially own the shares of common stock which are beneficially owned by Crosslink Capital, Inc. as set forth in footnote 14.

(4) Represents 4,376 shares subject to options that are exercisable within 60 days of February 28, 2005.

(5) Mr. Lee is president and chief executive officer of Singapore Technologies Telemedia Pte. Ltd., however he is not deemed to beneficially own the shares which are beneficially owned by STT Communications Ltd., a subsidiary of Singapore Technologies Telemedia Pte. Ltd., as set forth in footnote 13.

(6) Represents 1,256 shares of common stock received from distribution by Benchmark Capital Partners II, L.P and 3,578 shares of common stock held by Benchmark Capital Partners IV, L.P., as nominee for Benchmark Capital Partners, IV, L.P., Benchmark Founders Fund IV, L.P., Benchmark Founders Fund IV-A, L.P., Benchmark Founders Fund IV-B, L.P, Benchmark Founders Fund IV-X, L.P and related individuals. Mr. Rachleff is a managing member of Benchmark Capital Management Co. II, LLC, the general partner of Benchmark Capital Partners, II, L.P., Benchmark Founders Fund II, L.P. Benchmark Founders Fund II-A, L.P. and Benchmark Members Fund II, L.P. Mr. Rachleff is also a managing member of Benchmark Capital Management Co., IV, LLC, the general partner of Benchmark Capital Partners, IV, L.P., Benchmark Founders Fund IV, L.P., Benchmark Founders Fund IV-A, L.P, Benchmark Founders Fund IV-B, L.P, Benchmark Founders Fund IV-X, L.P. In addition, includes 4,376 shares subject to options that are exercisable within 60 days of February 28, 2005.

(7) Includes 3,500 shares subject to options exercisable within 60 days of February 28, 2005.

(8) Mr. Volpi is senior vice president and general manager of Cisco Systems, Inc., which beneficially holds 212,216 shares of common stock. However, Mr. Volpi is not deemed to beneficially own the shares of common stock held by Cisco Systems, Inc.

(9) Includes 65,421 shares subject to options exercisable within 60 days of February 28, 2005.

(10) Includes 13,236 shares subject to options exercisable within 60 days of February 28, 2005.

(11) Includes 83,358 shares subject to options exercisable within 60 days of February 28, 2005. Also includes 468 shares held by Mr. Koen as custodian for his children; Mr. Koen disclaims beneficial ownership of these shares.

(12) Includes 79,124 shares subject to options exercisable within 60 days of February 28, 2005.

(13) Includes 7,114,630 shares of common stock, 1,868,667 shares of common stock that may be acquired upon conversion of the series A convertible preferred stock (series A preferred stock) owned by i-STT Investments Pte Ltd. (i-STTi), 224,148 shares of common stock that may be acquired upon conversion of principal and accrued but unpaid interest within 60 days of February 28, 2005 on a series A-1 convertible secured note (the Note), and 965,674 shares of common stock that may be acquired upon the exercise of a series A-1 preferred stock warrant (the Warrant). Based on Amendment No. 4 to Schedule 13D filed with the Securities and Exchange Commission on January 14, 2005, Temasek Holdings (Private) Limited (Temasek), the ultimate parent entity of i-STTi, Temasek, through its ultimate ownership of i-STTi, may be deemed to have voting and dispositive power over the shares owned beneficially and of record by i-STTi, however, Temasek expressly disclaims beneficial ownership of such shares. In addition, Temasek may be deemed to beneficially own 11,718 shares of common stock, which are owned beneficially and of record by Temasek s indirect, wholly-owned subsidiary, T.H.e Venture Pte Ltd.

(14) Based on the Schedule 13D filed with the Securities and Exchange Commission on March 23, 2005, this represents 135,190 shares of common stock held by Crosslink Crossover Fund III and 25,910 shares of common stock held by Offshore Crosslink Crossover Fund III. Also includes 478,400 shares held by Crosslink Ventures IV, L.P., 20,930 shares held by Crosslink Omega Ventures I GmbH & Co. KG, 169,520 shares held by Offshore Crosslink Omega Ventures IV, 44,480 shares held by Omega Bayview IV, 356,538 shares held by Crosslink Crossover Fund III and 98,212 shares held by Offshore Crosslink Crossover Fund III which were acquired upon conversion of the series A-2 convertible secured notes.

(15) Includes options exercisable for an aggregate of 790,099 shares of common stock within 60 days of February 28, 2005.

REPORT OF THE COMPENSATION COMMITTEE

OF THE BOARD OF DIRECTORS

The Compensation Committee has the exclusive authority to administer the Company s 2000 Equity Incentive Plan, 2001 Supplemental Stock Plan, 2000 Employee Stock Purchase Plan, 2004 Employee Stock Purchase Plan and the 2004 International Employee Stock Purchase Plan. In addition, the Compensation Committee has the exclusive authority to establish the level of base salary, bonus and equity grants to the executive officers of the Company and responsibility for approving the guidelines for the compensation program to be in effect for the Company s non-executive employees. The Compensation Committee is comprised of non-employee directors and acts periodically to evaluate the effectiveness of the compensation program in linking Company performance and executive pay. In addition, the Compensation Committee is consulted to approve the compensation package of a newly hired executive or of an executive whose scope of responsibility has changed significantly. A more detailed description of the functions of the Compensation Committee can be found in the Company s Compensation Committee Charter, attached to this proxy as Appendix C.

For the 2004 fiscal year, the Compensation Committee determined compensation levels and approved compensation plans taking into account both external and internal factors. Among the external factors considered by the Compensation Committee was a report prepared in 2003 by Mellon, formerly Buck-iQuantic (Mellon), a nationally recognized independent compensation consulting firm. This report compared the compensation structure of the Company s executive officers and non-executive employees against executives and non-executive employees in similar positions at peer companies companies of similar market capitalization, revenue and headcount size, technology sector and SIC code. The Mellon report compared overall compensation at the Company and its peers including (i) base salaries; (ii) bonuses and (iii) stock-based awards. The report concluded that the base salaries paid to the Company s non-executive employees were at about the mid-point of the range of base salaries paid to non-executive employees in similar positions at peer companies. It also concluded that a number of the Company s executive officers had base salaries significantly below the mid-point of officers in similar positions at peer companies. The report further concluded that because the Company does not have a cash bonus program, as compared to its peer companies, the total cash compensation to all of its employees, particularly its executive officers was significantly below that of its peer group. The Company retained Mellon again in 2004 to update its report specifically with respect to equity compensation.

Based on these reports and the factors discussed below, the Compensation Committee approved a cash bonus program for all employees for 2004, increased base salaries for those executives who were below the mid-point of executive officers at peer companies up to the mid-point of their peers, and approved the issuance of stock options to executive and certain non-executive employees. As to the cash bonus plan, in light of the Company s continued focus on maximizing cash flow generation, the Compensation Committee set the target bonus at approximately half of that of the peer companies.

General Compensation Policy. The Compensation Committee s objective is to align executive compensation with the Company s long-term and short-term business objectives and performance and to ensure that each of the Company s executive officers compensation reflects the individual s own contribution to the Company and level of performance. We rely upon judgment and not upon rigid guidelines or formulas in determining the amount and mix of compensation elements for each executive officer. Key factors affecting our judgment include the nature and scope of the executive officer s responsibilities and his or her effectiveness in leading our initiatives to achieve corporate goals. In recent years, our goal has been to keep near or at the mid-point of compensation for similar positions at peer companies, taking into account the Company s focus on maximizing cash flow generation, as well as recommendations from the CEO on individual performance by executive officers.

Based upon all the factors we considered relevant, and in light of our strong financial and operating performance in 2004, we believe it was in our stockholders best interest to ensure that the overall level of our salary, bonus and equity compensation awards were competitive with companies in the comparison group. We believe that the quality, skills and dedication of our executive officers are critical factors affecting the long-term value of our Company. Therefore, our goal is to maintain an executive compensation program that will attract, motivate and retain qualified executives who are able to contribute to the long-term success of the Company.

Base Salary. There were no increases in 2003 to executive officers salary compensation due to the Company s continued focus on maximizing cash flow from operations. In 2004, after achieving the Company s operating cash flow objective in the prior year, and consistent with the salary levels at peer companies indicated in the Mellon report, the CEO recommended appropriate adjustments to executive officers base salaries. The Compensation Committee increased the base salaries in 2004 of certain executive officers up to the mid-point of similar positions at peer companies.

Discretionary Bonuses. Although the Compensation Committee approved a cash bonus plan for executive officers for 2004, in order to maximize cash flow generation, except for a bonus plan for the Company s vice president of sales, the Company did not implement a plan for discretionary bonuses for its executive officers in 2004. The bonus plan for Mr. Ferris, the Company s vice president of sales, was contingent on his sales booking and revenue targets. For 2004, Mr. Ferris achieved his targets and earned the full amount of his bonus. In recognition for their outstanding contribution to the achievement of the Company s 2004 objectives, Mr. Kapoor, the Company s vice president of operations, and Ms. Galvin, the Company s general counsel and assistant secretary, were awarded discretionary bonuses in 2004. Other than these bonuses, no other executive officers received discretionary bonuses for 2004.

Long-Term Incentive Compensation. Generally, a significant grant is made in the year that an employee commences employment with the Company. Thereafter, option grants may be made at varying times and in varying amounts at the discretion of the Compensation Committee, and a refresh grant is generally made at the beginning of each fiscal year. The size of each grant is set at a level that the Committee deems appropriate to create a meaningful opportunity for stock ownership based upon the individual s position with the Company, the individual s potential for future responsibility and promotion, the individual s performance in the recent period, the exercise prices of that individual s outstanding options relative to current market value, and the number of unvested options held by the individual at the time of the new grant. The relative weight given to each of these factors will vary from individual to individual at the Compensation Committee s discretion.

During 2004, additional option grants were awarded in the aggregate, in an amount consistent with the mid-point of refresh grants at peer companies based on the 2004 Mellon report and below ISS recommended granting guidelines. Each grant allows the employee to acquire shares of the Company s common stock at a fixed price per share over a specified period of time. The options granted in 2004 vest in periodic installments over a four-year period, contingent upon continued employment with the Company. The vesting schedule and the number of shares granted are established to ensure a meaningful incentive in each year following the year of grant. Accordingly, the option will provide a return only if the employee remains in the Company s employ, and then only if the market price of the Company s common stock appreciates over the option term.

CEO Compensation. The annual base salary for Mr. Van Camp, the Company s CEO, was established in connection with his commencement of employment in 2000 and, prior to 2004, had not been adjusted since his employment with the Company began. Based on the Compensation Committee s analysis of the Mellon report, which indicated that Mr. Van Camp s base salary was below the mid-point of CEOs at peer companies, and the Compensation Committee s conclusion that Mr. Van Camp has consistently exceeded performance expectations each year since joining the Company, Mr. Van Camp s salary was increased to the mid-point range of CEOs at peer companies. No bonus was paid to Mr. Van Camp in 2004. In February 2004 Mr. Van Camp received an option grant in an amount consistent with the mid-point of refresh grants to CEOs at peer companies indicated in the Mellon report.

Tax Limitation. Under the Federal tax laws, a publicly held company such as the Company, would not be allowed a federal income tax deduction for compensation paid to certain executive officers to the extent that compensation exceeds $1 million per officer in any year, absent an exemption. To qualify for an exemption from the $1 million deduction limitation, the stockholders approved a limitation under the Company s 2000 Equity Incentive Plan on the maximum number of shares of common stock for which any one participant may be granted stock options per fiscal year. The limitation was subsequently re-approved by stockholders in 2004. Because this limitation was adopted, any compensation deemed paid to an executive officer when he or she exercises an outstanding option under the 2000 Equity Incentive Plan with an exercise price equal to the fair market value of the option shares on the grant date will qualify as performance-based compensation that will not be subject to the $1 million limitation. The cash compensation paid to the Company s executive officers for the 2004 fiscal year did not exceed the $1 million limit per officer.

Submitted by the following members of the Compensation Committee:

Steven Eng

Scott Kriens

Michelangelo Volpi

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

The Compensation Committee was formed on July 19, 2000 and the current members of the Compensation Committee are Messrs. Eng, Kriens and Volpi. None of the members of the Compensation Committee was at any time during the 2004 fiscal year or at any other time an officer or employee of the Company. No executive officer of the Company serves as a member of the board of directors or compensation committee of any entity that has one or more executive officers serving as a member of the Company s Board of Directors or Compensation Committee.

REPORT OF THE AUDIT COMMITTEE

OF THE BOARD OF DIRECTORS

The Audit Committee serves as the representative of the Board of Directors for general oversight of the Company s financial accounting and reporting process, system of internal control, audit process, and process for monitoring compliance with laws and regulations and the Company s Code of Ethics for Chief Executive Officer and Senior Financial Officers. The Audit Committee annually appoints an independent registered public accounting firm to audit the financial statements and attestation of management s assertion of the effectiveness of the Company s internal controls. A more detailed description of the functions of the Audit Committee can be found in the Company s Audit Committee Charter, attached to this proxy statement as Appendix D.

For the fiscal year 2004, the Audit Committee consisted of Messrs. Eng, Rachleff and Raney. The Audit Committee held eight (8) meetings during the last fiscal year.

The Company s management has primary responsibility for preparing the Company s financial statements and financial reporting process. The Company s independent registered public accounting firm, PricewaterhouseCoopers LLP (PricewaterhouseCoopers), are responsible for expressing an opinion on the conformity of the Company s audited financial statements to generally accepted accounting principles and attestation of management s assertion of the effectiveness of the Company s internal controls. The Audit Committee serves a board-level oversight role in which it provides advice, counsel and direction to management and the auditors on the basis of the information it receives, discussions with management and the auditors and the experience of the Audit Committee s members in business, financial and accounting matters.

In this context, the Audit Committee hereby reports as follows:

The Audit Committee has reviewed and discussed the audited financial statements with the Company s management and the independent auditors.

The Audit Committee has discussed with the independent registered public accounting firm the matters required to be discussed by Statement on Auditing Standards No. 61 (Codification of Statements on Auditing Standard, AU 380).

The Audit Committee discussed with the independent registered public accounting firm their independence from the Company and its management. The Audit Committee has received the written disclosures and the letter from the independent registered public accounting firm required by Independence Standards Board Standard No. 1 (Independence Standards Board Standards No. 1, Independence Discussions with Audit Committees) and has discussed with the independent registered public accounting firm their independence.

Aggregate fees for professional services rendered for the Company by PricewaterhouseCoopers as of, or for the years ended December 31, 2004 and 2003, were:

	December 31,	
	2004	**2003**

Audit	$ 1,230,500	$ 755,580
Audit-related	167,150	46,300
Tax	73,994	221,655
All Other		
Total	**$ 1,471,644**	**$ 1,023,535**

The *Audit* fees for the years ended December 31, 2004 and 2003, respectively, were for professional services rendered for the audits of the consolidated financial statements of the Company and its subsidiaries audits. In addition, the professional services included comfort letters, consents and assistance with the review of documents filed with the SEC. For 2004, certain professional services were provided for the attestation related to the Company s assertion of the effectiveness of its internal controls.

The *Audit-related* fees as of the years ended December 31, 2004 and 2003, respectively, were for assurance and related services related to employee benefit plan audits, due diligence related to mergers and acquisitions, accounting consultations and advisory services related to the Company s review of it s internal controls.

The *Tax* fees as of the years ended December 31, 2004 and 2003, respectively, were for services related to tax compliance, including the preparation of tax returns; and tax planning and tax advice, including assistance with and representation in tax audits and appeals.

The Company s Audit Committee adopted pre-approval policies and procedures for audit and non-audit services during the fiscal year 2003. All audit, audit-related and tax services are approved in advance by the Company s Audit Committee to assure they do not impair the independence of the Company s independent registered public accounting firm. At the beginning of each fiscal year, management prepares an estimate of all such fees for the duration of the fiscal year and submits the estimate to the Audit Committee for review and pre-approval. Any modifications to the estimates are submitted to the Audit Committee for pre-approval at the next regularly scheduled Audit Committee meeting, or if action is required sooner, to the Chairman of the Audit Committee. All fees paid to the Company s independent registered public accounting firm during the fiscal year 2004 were in accordance with this pre-approval policy.

Based on the Audit Committee s discussion with management and the independent registered public accounting firm and the Audit Committee s review of the representations of management and the report of the independent registered public accounting firm to the Audit Committee, the Audit Committee and the Board of Directors approved the audited financial statements and recommended that the audited financial statements be included in the Company s Annual Report on Form 10-K for the fiscal year ended December 31, 2004, for filing with the Securities and Exchange Commission. The Audit Committee and the Board of Directors have also recommended, subject to stockholder approval, the selection of PricewaterhouseCoopers LLP, as the Company s independent registered public accounting firm.

Each of the members of the Audit Committee is independent, and the Company s Board of Directors has determined that Mr. Raney qualifies as an audit committee financial expert, as such terms are defined under the rules of the Securities and Exchange Commission and the listing standards of the Nasdaq National Market.

Submitted by the following members of the Audit Committee:

Steven Eng

Andrew Rachleff

Dennis Raney

STOCK PERFORMANCE GRAPH

The graph set forth below compares the cumulative total stockholder return on the Company s common stock between August 11, 2000 (the date the Company s common stock commenced public trading) and December 31, 2004 with the cumulative total return of (i) the CRSP Total Return Index for the Nasdaq Stock Market (U.S. Companies) (the Nasdaq Stock Market-U.S. Index) and (ii) the Nasdaq Telecommunications Index. This graph assumes the investment of $100.00, on August 11, 2000 in the Company s common stock, on July 31, 2000 in the Nasdaq Stock Market-U.S. Index and the Nasdaq Telecommunications Index, and assumes the reinvestment of dividends, if any.

The comparisons shown in the graph below are based upon historical data adjusting for the one for thirty-two reverse split which became effective on December 31, 2002 (the Stock Split). The Company cautions that the stock price performance shown in the graph below is not indicative of, nor intended to forecast, the potential future performance of the Company s common stock.

COMPARISON OF 52 MONTH CUMULATIVE TOTAL RETURN

AMONG EQUINIX, INC., THE NASDAQ STOCK MARKET (U.S.) INDEX

AND THE NASDAQ TELECOMMUNICATIONS INDEX

The Company effected its initial public offering of common stock on August 10, 2000 at a price of $12.00 per share, or $384.00 per share adjusting for the Stock Split. The graph above, however, commences on August 11, 2000 the date the Company s common stock commenced public trading with the closing price of $13.125, per share, or $420.00 per share adjusting for the Stock Split.

Notwithstanding anything to the contrary set forth in any of the Company s previous or future filings under the