

Digital Realty Trust, Inc.
Form DEF 14A
March 19, 2014
Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

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

Filed by the Registrant

Filed by a party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material under §240.14a-12

DIGITAL REALTY TRUST, INC.

(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

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(4) Date Filed:

Table of Contents

DIGITAL REALTY TRUST, INC.

Four Embarcadero Center, Suite 3200

San Francisco, California 94111

March 19, 2014

DEAR STOCKHOLDER:

You are invited to attend the 2014 Annual Meeting of Stockholders (the Annual Meeting) of Digital Realty Trust, Inc., a Maryland corporation (the Company), to be held on Monday, April 28, 2014, at 10:30 a.m., local time, at Four Embarcadero Center, Third Floor, Promenade Level conference center (Stanford Room), San Francisco, CA 94111.

The purposes of this year's Annual Meeting are to:

- (i) consider and vote upon the election of Dennis E. Singleton, Laurence A. Chapman, Kathleen Earley, Ruann F. Ernst, Ph.D., Kevin J. Kennedy, William G. LaPerch and Robert H. Zerbst as members of the Company's Board of Directors, each to serve until the 2015 Annual Meeting of Stockholders and until a successor for each is duly elected and qualifies;
- (ii) consider and vote upon ratifying the selection of KPMG LLP as the Company's independent registered public accounting firm for the year ending December 31, 2014;
- (iii) consider and vote upon the Digital Realty Trust, Inc., Digital Services, Inc. and Digital Realty Trust, L.P. 2014 Incentive Award Plan;
- (iv) consider and vote upon a resolution to approve, on a non-binding, advisory basis, the compensation of the Company's named executive officers, as more fully described in the accompanying Proxy Statement; and
- (v) transact such other business as may properly come before the meeting or any adjournment(s) or postponement(s) thereof.

The accompanying Notice of 2014 Annual Meeting of Stockholders and Proxy Statement describe these matters. We urge you to read this information carefully.

It is important that your shares be represented and voted whether or not you plan to attend the Annual Meeting in person. If you choose not to attend and vote at the Annual Meeting in person, you may authorize your proxy via the Internet, or if you are receiving a paper copy of the Proxy Statement, by telephone or by completing and mailing a proxy card. Authorizing your proxy over the Internet, by telephone or by mailing a proxy card will ensure that your shares are represented at the Annual Meeting. Please review the instructions contained in the Notice of Internet Availability of Proxy Materials regarding each of these options.

Sincerely,

A. William Stein
Interim Chief Executive Officer, Chief Financial Officer,
Chief Investment Officer and Secretary

Table of Contents

DIGITAL REALTY TRUST, INC.

Four Embarcadero Center, Suite 3200

San Francisco, California 94111

NOTICE OF 2014 ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD ON APRIL 28, 2014

TO THE STOCKHOLDERS OF DIGITAL REALTY TRUST, INC.:

NOTICE IS HEREBY GIVEN that the 2014 Annual Meeting of Stockholders (the "Annual Meeting") of Digital Realty Trust, Inc., a Maryland corporation (the "Company"), will be held on Monday, April 28, 2014, at 10:30 a.m., local time, at Four Embarcadero Center, Third Floor, Promenade Level conference center (Stanford Room), San Francisco, CA 94111, for the following purposes:

to consider and vote upon the election of Dennis E. Singleton, Laurence A. Chapman, Kathleen Earley, Ruann F. Ernst, Ph.D., Kevin J. Kennedy, William G. LaPerch and Robert H. Zerbst as members of the Company's Board of Directors (the "Board"), each to serve until the 2015 Annual Meeting of Stockholders and until a successor for each is duly elected and qualifies;

to consider and vote upon ratifying the selection of KPMG LLP as the Company's independent registered public accounting firm for the year ending December 31, 2014;

to consider and vote upon the Digital Realty Trust, Inc., Digital Services, Inc. and Digital Realty Trust, L.P. 2014 Incentive Award Plan;

to consider and vote upon a resolution to approve, on a non-binding, advisory basis, the compensation of the Company's named executive officers, as more fully described in the accompanying Proxy Statement; and

to transact such other business as may properly come before the Annual Meeting or any adjournment(s) or postponement(s) thereof. The foregoing items of business are more fully described in the Proxy Statement accompanying this Notice of 2014 Annual Meeting of Stockholders.

Your proxy to vote your shares at the Annual Meeting is solicited by the Board, which recommends that the Company's stockholders vote:

FOR the election of the Board's nominees named herein;

FOR ratifying the selection of KPMG LLP as the Company's independent registered public accounting firm for the year ending December 31, 2014;

FOR the approval of the Digital Realty Trust, Inc., Digital Services, Inc. and Digital Realty Trust, L.P. 2014 Incentive Award Plan; and

FOR the resolution approving, on a non-binding, advisory basis, the compensation of the Company's named executive officers.

Please refer to the attached Proxy Statement, which forms a part of this Notice of 2014 Annual Meeting of Stockholders and is incorporated herein by reference, for further information with respect to the business to be transacted at the Annual Meeting.

STOCKHOLDERS ARE CORDIALLY INVITED TO ATTEND THE ANNUAL MEETING IN PERSON. YOUR VOTE IS IMPORTANT. If you are viewing the Proxy Statement on the Internet, you may authorize your proxy electronically via the Internet by following the instructions on the Notice of Internet Availability of Proxy Materials mailed to you and the instructions listed on the Internet site. If you are receiving a paper copy of the Proxy Statement, you may authorize your proxy by completing and mailing the proxy card enclosed with the Proxy Statement, or you may authorize your proxy electronically via the Internet or by telephone by following

Table of Contents

the instructions on the proxy card. If your shares are held in street name, which means shares held of record by a broker, bank or other nominee, you should review the Notice of Internet Availability of Proxy Materials used by that firm to determine whether and how you will be able to authorize your proxy by telephone or over the Internet. Authorizing a proxy over the Internet, by telephone or by mailing a proxy card will ensure that your shares are represented at the Annual Meeting.

The Board has fixed the close of business on March 4, 2014 as the record date for the determination of stockholders entitled to notice of, and to vote at, the Annual Meeting and at any postponement(s) or adjournment(s) thereof.

By Order of Our Board of Directors,

A. William Stein
Interim Chief Executive Officer,

Chief Financial Officer,
Chief Investment Officer and Secretary

San Francisco, California

March 19, 2014

Whether or not you expect to attend the Annual Meeting in person, we urge you to vote your shares at your earliest convenience. This will ensure the presence of a quorum at the meeting. Promptly authorizing your proxy via the Internet, by telephone or by mailing a proxy card will save us the expenses and extra work of additional solicitation. An addressed envelope for which no postage is required if mailed in the United States will be provided if you wish to authorize your proxy by mail. For specific instructions on authorizing a proxy, please refer to the instructions on the Notice of Internet Availability of Proxy Materials. Even if you have authorized your proxy, you may still vote in person if you attend the meeting. Please note, however, that if your shares are held of record by a broker, bank or other nominee and you wish to vote in person at the meeting, you must obtain a proxy issued in your name from such broker, bank or other nominee.

Table of Contents

PROXY STATEMENT

Table of Contents

<u>INFORMATION CONCERNING VOTING AND SOLICITATION</u>	1
<u>ITEM 1. ELECTION OF DIRECTORS</u>	4
<u>ITEM 2. RATIFICATION OF SELECTION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM</u>	17
<u>ITEM 3. DIGITAL REALTY TRUST, INC., DIGITAL SERVICES, INC. AND DIGITAL REALTY TRUST, L.P. 2014 INCENTIVE AWARD PLAN</u>	18
<u>PRINCIPAL STOCKHOLDERS</u>	27
<u>EXECUTIVE COMPENSATION</u>	30
<u>DIRECTOR COMPENSATION</u>	59
<u>COMPENSATION RISK ASSESSMENT</u>	61
<u>EQUITY COMPENSATION PLAN TABLE</u>	62
<u>ITEM 4. ADVISORY VOTE ON THE COMPENSATION OF NAMED EXECUTIVE OFFICERS</u>	63
<u>AUDIT MATTERS</u>	67
<u>CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS</u>	69
<u>ANNUAL REPORT ON FORM 10-K</u>	71
<u>OTHER MATTERS</u>	71

Table of Contents

DIGITAL REALTY TRUST, INC.

Four Embarcadero Center, Suite 3200

San Francisco, California 94111

PROXY STATEMENT

INFORMATION CONCERNING VOTING AND SOLICITATION

General

This Proxy Statement is furnished in connection with the solicitation by the Board of Directors (the **Board**) of Digital Realty Trust, Inc., a Maryland corporation (the **Company**), of proxies to be exercised at the 2014 Annual Meeting of Stockholders (the **Annual Meeting**) to be held on Monday, April 28, 2014, at 10:30 a.m., local time, or at any postponement(s) or adjournment(s) thereof, for the purposes discussed in this Proxy Statement and in the accompanying Notice of 2014 Annual Meeting of Stockholders. Proxies are solicited to give all stockholders of record at the close of business on March 4, 2014 (the **Record Date**) an opportunity to vote on matters properly presented at the Annual Meeting. The Annual Meeting will be held at Four Embarcadero Center, Third Floor, Promenade Level conference center (Stanford Room), San Francisco, CA 94111.

Pursuant to the rules of the United States Securities and Exchange Commission (the **SEC**), we have elected to provide access to our proxy materials over the Internet. Accordingly, we are sending a Notice of Internet Availability of Proxy Materials (a **Notice**) to our stockholders of record, while brokers and other nominees who hold shares on behalf of beneficial owners will be sending their own similar Notice. All stockholders will have the ability to access proxy materials on the website referred to in the Notice or request to receive a printed set of the proxy materials. Instructions on how to request a printed copy by mail or electronically may be found on the Notice and on the website referred to in the Notice, including an option to request paper copies on an ongoing basis. We intend to make this Proxy Statement available on the Internet on or about March 19, 2014 and to mail the Notice to all stockholders entitled to vote at the Annual Meeting on or about March 19, 2014. We intend to mail this Proxy Statement, together with a proxy card, to those stockholders entitled to vote at the Annual Meeting who have properly requested paper copies of such materials, on or about March 19, 2014 or within three business days of such request.

Who Can Vote

You are entitled to vote if you were a stockholder of record of the Company's Common Stock, par value \$.01 per share (the **Common Stock**), as of the Record Date. Your shares can be voted at the Annual Meeting only if you are present in person or represented by a valid proxy.

Quorum

A majority of the outstanding shares of Common Stock as of the Record Date represented in person or by proxy will constitute a quorum at the Annual Meeting. As of the Record Date, 128,602,024 shares of Common Stock were outstanding.

Voting of Shares

Stockholders of record as of the Record Date are entitled to one vote for each share of Common Stock held on all matters to be voted upon at the meeting. You may vote by attending the Annual Meeting and voting in person. Please note, however, that if your shares are held of record by a broker, bank or other nominee and you wish to vote in person at the meeting, you must obtain a proxy issued in your name from such broker,

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bank or other nominee. If you choose not to attend the Annual Meeting, you may still authorize your proxy via the Internet, by telephone or by mailing a proxy card.

Table of Contents

All shares entitled to vote and represented by properly executed proxies received before the polls are closed at the Annual Meeting, and not revoked or superseded, will be voted at the Annual Meeting in accordance with the instructions indicated on those proxies. YOUR VOTE IS IMPORTANT.

Proxy Card and Revocation of Proxy

If you sign a proxy card but do not specify how you want your shares to be voted, your shares will be voted by the proxy holders named in the enclosed proxy:

FOR the election of all of the director nominees;

FOR ratifying the selection of KPMG LLP as the Company's independent registered public accounting firm for the year ending December 31, 2014;

FOR the approval of the Digital Realty Trust, Inc., Digital Services, Inc. and Digital Realty Trust, L.P. 2014 Incentive Award Plan; and

FOR the resolution approving, on a non-binding, advisory basis, the compensation of the Company's named executive officers. In their discretion, the proxy holders named in the enclosed proxy are authorized to vote on any other matters that may properly come before the Annual Meeting and at any postponement(s) or adjournment(s) thereof. The Board knows of no other items of business that will be presented for consideration at the Annual Meeting other than those described in this Proxy Statement.

If you vote your shares by authorizing a proxy, you may revoke your proxy authorization at any time before it is voted at the Annual Meeting. You may revoke your proxy by sending to the Company's Secretary at the Company's principal executive office at Four Embarcadero Center, Suite 3200, San Francisco, CA 94111, a written notice of revocation, or by delivering by mail, by telephone, via the Internet or in person a duly executed proxy bearing a later date, or by attending the Annual Meeting in person and voting in person. Attendance at the meeting will not, by itself, revoke a proxy.

Counting of Votes

All votes will be tabulated by the inspector of election appointed for the Annual Meeting, who will separately tabulate affirmative and negative votes and abstentions. Shares held by persons attending the Annual Meeting but not voting, shares represented by proxies that reflect abstentions as to a particular proposal and broker non-votes will be counted as present for purposes of determining a quorum. A broker non-vote occurs when a nominee holding shares for a beneficial owner has not received instructions from the beneficial owner and does not have or chooses not to exercise discretionary authority to vote the shares.

The affirmative vote of a majority of the votes cast at the Annual Meeting at which a quorum is present is required for the election of each director nominee. For purposes of the election of directors, a majority of the votes cast means that the number of votes cast for a nominee for election as a director exceeds the number of votes cast against that nominee. For purposes of calculating votes cast in the election of directors, abstentions and broker non-votes will not be counted as votes cast and will have no effect on the result of the vote on the election of the directors.

The affirmative vote of a majority of the votes cast at the Annual Meeting at which a quorum is present is required for ratifying the selection of KPMG LLP as our independent registered public accounting firm. For purposes of the vote on ratifying the selection of KPMG LLP as our independent registered public accounting firm, abstentions and broker non-votes will not be counted as votes cast and will have no effect on the result of the vote.

Table of Contents

The affirmative vote of a majority of the votes cast at the Annual Meeting at which a quorum is present is required to approve the Digital Realty Trust, Inc., Digital Services, Inc. and Digital Realty Trust, L.P. 2014 Incentive Award Plan. For purposes of the vote on the approval of the Digital Realty Trust, Inc., Digital Services, Inc. and Digital Realty Trust, L.P. 2014 Incentive Award Plan, abstentions and broker non-votes will not be counted as votes cast and will have no effect on the result of the vote.

The affirmative vote of a majority of the votes cast at the Annual Meeting at which a quorum is present is required to adopt a resolution approving, on a non-binding, advisory basis, the compensation of our named executive officers. For purposes of the vote on the resolution approving the compensation of our named executive officers, abstentions and broker non-votes will not be counted as votes cast and will have no effect on the result of the vote.

Solicitation of Proxies

We will bear the entire cost of soliciting proxies. We may reimburse banks, brokerage houses, fiduciaries and custodians holding shares of our Common Stock in their names for their expenses incurred in forwarding the solicitation materials to beneficial owners. Solicitation of proxies may be supplemented by telephone, facsimile, electronic mail or personal solicitation by directors, officers or employees of the Company. No additional compensation will be paid to directors, officers or employees for such services.

Attendance at the Annual Meeting

In order to attend the Annual Meeting, you will need proof of ownership of our Common Stock as of the Record Date. If you hold your shares in street name (such as through a bank, broker or other nominee), you should bring your statement showing your beneficial ownership of our Common Stock in order to be admitted to the meeting and you must obtain a proxy issued in your name from such bank, broker or other nominee if you wish to vote in person at the meeting.

NO PERSON IS AUTHORIZED ON BEHALF OF THE COMPANY TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS WITH RESPECT TO THE PROPOSALS OTHER THAN THE INFORMATION AND REPRESENTATIONS CONTAINED IN THIS PROXY STATEMENT, AND, IF GIVEN OR MADE, SUCH INFORMATION AND/OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED. THE DELIVERY OF THIS PROXY STATEMENT SHALL UNDER NO CIRCUMSTANCES CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE COMPANY SINCE THE DATE HEREOF.

The Company's principal executive office is located at Four Embarcadero Center, Suite 3200, San Francisco, CA 94111, our telephone number is (415) 738-6500 and our website is www.digitalrealty.com. * References herein to the Company refer to Digital Realty Trust, Inc. and its subsidiaries, unless the context otherwise requires.

The date of this Proxy Statement is March 19, 2014.

* Website addresses referred to in this Proxy Statement are not intended to function as hyperlinks, and the information contained on our website is not a part of this Proxy Statement.

Table of Contents

ITEM 1. ELECTION OF DIRECTORS

Under the Company's charter and Fourth Amended and Restated Bylaws (the "Bylaws"), each member of the Board serves until the next annual meeting of stockholders and until his or her successor is duly elected and qualifies or until his or her earlier death, resignation or removal. Vacancies on the Board may be filled only by individuals elected by the affirmative vote of a majority of the remaining directors, even if the remaining directors do not constitute a quorum. A director elected by the Board to fill a vacancy (including a vacancy created by an increase in the size of the Board) will serve for the remainder of the full term of the directorship and until such director's successor is duly elected and qualifies, or until such director's earlier death, resignation or removal.

Our Bylaws require that, in order to be elected in an uncontested election, a director receive a majority of votes cast by holders of the shares present in person or represented by proxy with respect to such director at a meeting at which a quorum is present. A majority of the votes cast means that the number of shares voted for a director must exceed the number of votes against that director. In a contested election (where a determination is made that the number of director nominees is expected to exceed the number of directors to be elected at a meeting), directors will be elected by a plurality of the votes cast, which means the seven nominees who receive the largest number of properly cast votes will be elected as directors.

Any director who fails to be elected by a majority vote shall tender his or her resignation to the Board, subject to acceptance. The Nominating and Corporate Governance Committee will make a recommendation to the Board on whether to accept or reject the resignation, or whether other action should be taken. The Board will then act on the Nominating and Corporate Governance Committee's recommendation and publicly disclose its decision and the rationale behind it within 90 days from the date of the certification of election results. If the resignation is not accepted, the director will continue to serve until the next annual meeting and until the director's successor is duly elected and qualifies. The director who tenders his or her resignation will not participate in the Board's decision regarding whether to accept or reject such director's resignation.

Each share of Common Stock is entitled to one vote for each of the seven director nominees. Cumulative voting is not permitted. It is the intention of the proxy holders named in the enclosed proxy to vote the proxies received by them for the election of the nominees named below unless instructed otherwise. If any nominee should become unavailable for election prior to the Annual Meeting, an event which currently is not anticipated by the Board, the proxies will be voted for the election of a substitute nominee or nominees proposed by the Board.

Michael F. Foust, our former Chief Executive Officer and a current member of the Board, departed from his position as Chief Executive Officer and as an employee of the Company effective as of March 17, 2014. Mr. Foust's term on the Board will expire at the Annual Meeting, and immediately prior to the Annual Meeting the size of the Board will be reduced to seven members. The Board has not renominated Mr. Foust for election as a director at the Annual Meeting.

Dennis E. Singleton, Laurence A. Chapman, Kathleen Earley, Ruann F. Ernst, Ph.D., Kevin J. Kennedy, William G. LaPerch and Robert H. Zerbst are all of our nominees for election to the Board. Each nominee has consented to be named in this Proxy Statement and to serve as a director if elected, and management has no reason to believe that any nominee will be unable to serve. The information below relating to the nominees for election as director has been furnished to the Company by the respective individuals.

Table of Contents**Nominees for Election for a One-Year Term Expiring at the 2015 Annual Meeting**

The following table sets forth the names and ages as of March 4, 2014 of the individuals who are our nominees for election as directors of the Company, all of whom are current directors of the Company:

Name	Age	Position	Director Since
Dennis E. Singleton	69	Director and Chairman of the Board	2004
Laurence A. Chapman	64	Director	2004
Kathleen Earley	62	Director	2004
Ruann F. Ernst, Ph.D.	67	Director	2004
Kevin J. Kennedy	58	Director	2013
William G. LaPerch	58	Director	2013
Robert H. Zerbst	67	Director	2009

The following are biographical summaries for our nominees for election as directors of the Company:

Dennis E. Singleton has served as a director since 2004 and as our Chairman of the Board since 2012. Mr. Singleton is currently a member of our Nominating and Corporate Governance Committee. Mr. Singleton was a founding partner of Spieker Partners, the predecessor of Spieker Properties, Inc., one of the largest owners and operators of commercial property on the west coast prior to its \$7.2 billion acquisition by Equity Office Properties Trust in 2001. Mr. Singleton served as Chief Financial Officer and Director of Spieker Properties, Inc. from 1993 to 1995, Chief Investment Officer and Director from 1995 to 1997 and Vice Chairman and Director from 1998 until his retirement in 2001. During his tenure, Mr. Singleton was involved in identifying and analyzing strategic portfolio acquisition and operating opportunities and oversaw the acquisition and development of more than 20 million square feet of commercial property. From 2001 to the present, Mr. Singleton has managed personal investments in real estate. Mr. Singleton is currently a member of the board of directors and serves on the audit and real estate committees of BRE Properties, Inc., which is listed on the New York Stock Exchange. Mr. Singleton received a Bachelor of Science degree from Lehigh University and a Master of Business Administration degree from Harvard Business School. Our Board selected Mr. Singleton to serve as a director because it believes he possesses valuable financial and real estate industry expertise, including extensive experience with the acquisition, financing and operation of commercial property.

Laurence A. Chapman has served as a director since 2004. Mr. Chapman is currently Chair of our Audit Committee and a member of our Nominating and Corporate Governance Committee. Mr. Chapman served as Senior Vice President and Chief Financial Officer of Goodrich Corp. from 1999 until his retirement in 2000. Mr. Chapman served as Senior Vice President and Chief Financial Officer of Rohr, Inc., an aerospace company, from 1994 until 1999, when Rohr, Inc. merged with Goodrich Corp. His responsibilities at both companies included accounting, treasury, tax, insurance, investor relations, financial planning and information technology functions. Prior to his service at Rohr, Inc., Mr. Chapman was employed at Westinghouse Electric Corporation from 1981 through 1994. From 1991 through 1994, Mr. Chapman was the Vice President and Treasurer of Westinghouse Electric Corporation and, from 1988 through 1991, Mr. Chapman served as Chief Financial Officer of Westinghouse Credit Corp. and Westinghouse Financial Services Inc. His responsibilities included supervising corporate finance, cash and short-term funding, project finance, bank relations and international treasury. Mr. Chapman received a Bachelor of Commerce degree (Accounting and Finance) with Great Distinction from McGill University and a Master of Business Administration degree from Harvard Business School. He is a fellow of the Institute of Canadian Bankers. Our Board selected Mr. Chapman to serve as a director because it believes he possesses valuable financial and accounting expertise, including at companies with extensive real estate interests, and his extensive experience in his prior positions of Chief Financial Officer.

Kathleen Earley has served as a director since 2004. Ms. Earley is currently Chair of our Nominating and Corporate Governance Committee and a member of our Audit Committee and Compensation Committee. Ms. Earley is the former President and Chief Operating Officer of TriZetto Group, Inc. where she worked from November 2004 until she retired in September 2008 when it was sold to Apax Partners, a private equity firm. From 1994 through September 2001, Ms. Earley was employed at AT&T Corporation. While at AT&T

Table of Contents

Corporation, Ms. Earley served as Senior Vice President of Enterprise Networking and Chief Marketing Officer, where she oversaw all AT&T Corporation business-related brand, image and advertising and marketing strategy. One of Ms. Earley's largest contributions was as President of AT&T Data & Internet Services, a business unit that provided Internet Protocol (IP), web hosting, data and managed network services. Under her leadership, AT&T's network became one of the largest Internet backbones in the industry. Prior to joining AT&T Corporation, Ms. Earley was employed by IBM Corporation for 17 years with positions in sales, marketing, planning and strategy development. Ms. Earley previously served on the board of directors of a privately-held company, Gateway EDI, as well as on the boards of Switch & Data Facilities Company and Vignette Corp. prior to their sale. Ms. Earley received a Bachelor of Science degree in Accounting and a Master of Business Administration degree, both from the University of California, Berkeley. Our Board selected Ms. Earley to serve as a director because it believes she possesses valuable expertise in the data communications, hosting and colocation industries, as well as in strategic planning and operations, including extensive experience with sales, marketing and technology-related operations.

Ruann F. Ernst, Ph.D. has served as a director since 2004. Ms. Ernst is currently Chair of our Strategy Committee and a member of our Audit Committee and Compensation Committee. Ms. Ernst served as Chief Executive Officer of Digital Island, Inc., an e-business delivery network company, from June 1998 until her retirement in January 2002. Ms. Ernst was Chairperson of the Board of Digital Island from December 1999 through July 2001, when the company was acquired by Cable & Wireless, Plc. From 1988 through 1998, Ms. Ernst worked for Hewlett Packard Company, an electronics equipment and computer company, in various management positions, most recently as General Manager, Financial Services Business Unit, and also worked as a Vice President for General Electric Information Services Company. Prior to her work in the technology industry, Ms. Ernst served on the faculty of The Ohio State University, was Director of Medical Research and Computing and served as a Congressional Fellow in the Office of Technology Assessment. Ms. Ernst is a member of the board of directors and serves on the compensation committee and risk committee of IHS Inc., which is listed on the New York Stock Exchange. She also serves on the board of directors of three non-profit entities, Healthy LifeStars, The Ohio State University Foundation and The Ohio State University Innovation Foundation. Ms. Ernst received a Bachelor of Science, Master of Science and Ph.D. degrees from The Ohio State University. Our Board selected Ms. Ernst to serve as a director because it believes she possesses valuable expertise in the telecommunications and colocation industries, including extensive experience working with and leading technology companies.

Kevin J. Kennedy has served as a director since 2013. Mr. Kennedy is currently a member of our Compensation Committee and Strategy Committee. Mr. Kennedy has been President, Chief Executive Officer and a member of the board of directors of Avaya Inc., a global provider of real-time business collaboration and communications solutions, since December 2008. Previously, Mr. Kennedy served as Chief Executive Officer of JDS Uniphase Corporation, a provider of optical communications products, from September 2003 to December 2008, as President from March 2004 to December 2008 and as a member of the board of directors from November 2001 to August 2012, including as Vice Chairman of the board of directors from December 2008 to August 2012. Prior to joining JDS Uniphase Corporation, Mr. Kennedy held product development and operations positions with Openwave Systems, Inc., Cisco Systems, Inc. and AT&T Corporation. Mr. Kennedy is a member of the board of directors and serves on the compensation committee of KLA-Tencor Corporation, a supplier of process control and yield management solutions for the semiconductor industry, which is listed on The NASDAQ Stock Market LLC. Since 2007, Mr. Kennedy has also served on the board of directors of the Canary Foundation, a non-profit organization. Mr. Kennedy previously served on the boards of directors of Rambus Inc., a developer of high-speed chip-to-chip interface technology, from 2003 to 2008, and Polycom Inc., a provider of telepresence, voice and video conferencing solution, from 2008 to 2009. Mr. Kennedy is also currently a Presidential Advisory Member of the National Security Telecommunications Advisory Committee. Mr. Kennedy received a Bachelor of Science in Mechanical Engineering degree from Lehigh University and a Master of Science, Master of Philosophy and Ph.D. degrees from Rutgers University. Our Board selected Mr. Kennedy to serve as a director because it believes he possesses valuable expertise in the communications and technology industries, including extensive experience working with and leading public companies in these industries, as well as his experience on the boards of directors of public companies.

Table of Contents

William G. LaPerch has served as a director since 2013. Mr. LaPerch is currently a member of our Audit Committee and Strategy Committee. Previously, from January 2004 to July 2012, Mr. LaPerch was Chief Executive Officer, President and a member of the board of directors at AboveNet, Inc., a provider of bandwidth infrastructure services. Prior to AboveNet, Inc., Mr. LaPerch served as President, Network Services from 2001 to 2003 and as President, Enterprise Services from 2000 to 2001 of Metromedia Fiber Network, a provider of metro fiber services. From 1989 to 2000, Mr. LaPerch held various operations and engineering positions at MCI Worldcom, Inc., a global communications company, including most recently as Vice President, Network Services. Prior to joining MCI Worldcom, Inc., Mr. LaPerch held sales and operations positions with NYNEX Corporation, a communications company. Mr. LaPerch is a member of the board of directors and serves on the audit and compensation committees of Imation Corp., a global scalable storage and data security company, which is listed on the New York Stock Exchange. Mr. LaPerch also serves on the board of directors of Net Conference, a privately held provider of virtual meeting services, and FirstLight, a privately held provider of telecommunications services. Mr. LaPerch is a graduate of the U.S. Military Academy at West Point and received a Master of Business Administration degree from Columbia University. Our Board selected Mr. LaPerch to serve as a director because it believes he possesses valuable expertise in the bandwidth, colocation, interconnection and communications industries, including extensive experience working with and leading public companies in these industries.

Robert H. Zerbst has served as a director since October 2009. Mr. Zerbst is currently Chair of our Compensation Committee and a member of our Nominating and Corporate Governance Committee. Mr. Zerbst is currently a private real estate investor. Mr. Zerbst joined CBRE Global Investors (formerly CB Richard Ellis Investors) as President in 1997, and served as Chief Executive Officer from 1998 through 2007, Chairman during 2007 and 2008 and Special Advisor to the Chief Executive Officer from 2009 to 2010. In 1981, Mr. Zerbst founded and served as Chief Executive Officer of Piedmont Realty Advisors, a San Francisco-based real estate investment manager. In 1991, Piedmont merged with The RREEF Funds. While a partner at RREEF, Mr. Zerbst was responsible for all investments in the western United States and opportunistic investments nationally. In 2013, Mr. Zerbst joined the board of directors and currently serves as a member of the audit committee and nominating and corporate governance committee of HF2 Financial Management, Inc. (NASDAQ: HTWO). Mr. Zerbst was the Chairman and member of the audit and compensation committees of the board of directors of CBRE Realty Trust, a public company, from 2004 through 2009. He also serves as chairman of Overseas Investor Services, LLC, a privately held investment management firm, and chairman of the advisory board of Chenco Holdings Co., a privately held real estate investment company. Mr. Zerbst is past Chairman of the National Association of Real Estate Investment Managers (NAREIM), past board member of the National Council of Real Estate Investment Fiduciaries (NCREIF), a member of The Asia Society, Northern California Council of Foreign Affairs and the Policy Advisory Board of the Fisher Center at the Haas School of Business, University of California, Berkeley and a Trustee of the San Francisco Conservatory of Music. Mr. Zerbst received a Bachelor of Arts degree from Miami University and a Master of Arts in Economics, Master of Business Administration and Ph.D. degrees in Finance and Real Estate Economics from The Ohio State University. He has also earned the CRE and MAI professional designations. Our Board selected Mr. Zerbst to serve as a director because it believes he possesses valuable financial and real estate industry expertise, including extensive experience with real estate acquisition and investment.

OUR BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE ELECTION OF EACH OF MESSRS. SINGLETON, CHAPMAN, KENNEDY, LAPERCH AND ZERBST AND MSES. EARLEY AND ERNST TO SERVE ON OUR BOARD OF DIRECTORS UNTIL THE 2015 ANNUAL MEETING AND UNTIL A SUCCESSOR FOR EACH IS DULY ELECTED AND QUALIFIES.

Table of Contents**Executive Officers**

The following table sets forth the names, ages as of March 4, 2014 and positions of our current executive officers (the "executive officers"):

Name	Age	Position	Officer Since
A. William Stein	60	Interim Chief Executive Officer, Chief Financial Officer, Chief Investment Officer and Secretary (principal executive officer and principal financial officer)	2004
Scott E. Peterson	52	Chief Acquisitions Officer	2004
David J. Caron	58	Senior Vice President, Portfolio Management	2004
Matthew J. Miszewski	43	Senior Vice President, Sales	2013
Bernard Geoghegan	52	Managing Director, EMEA	2013
Ellen Jacobs	60	Senior Vice President, Corporate Services and Human Resources	2007
Kris Kumar	53	Senior Vice President and Regional Head, Asia Pacific	2010
Joshua A. Mills	42	Senior Vice President, General Counsel and Assistant Secretary	2005
Edward F. Sham	54	Senior Vice President, Controller	2005
James M. Smith	45	Chief Technology Officer	2007

The following are biographical summaries for our executive officers:

A. William Stein joined GI Partners as a consultant in April 2004, has served as our Chief Financial Officer, Chief Investment Officer and Secretary since July 2004 and was appointed as our Interim Chief Executive Officer in March 2014. Mr. Stein has over 32 years of investment, financial and operating management experience in both large company environments and small, rapidly growing companies. Prior to joining our Company, Mr. Stein provided turnaround management advice to both public and private companies. From 2000 to 2001, Mr. Stein served as Co-Head of VentureBank@PNC and Media and Communications Finance at The PNC Financial Services Group where he was responsible for directing the delivery of PNC's products and services to VentureBank's high technology and emerging growth client base. Before joining PNC, Mr. Stein was President and Chief Operating Officer of TriNet Corporate Realty Trust, a real estate investment trust, or REIT, that was acquired by Starwood Financial Trust (now called iStar Financial) in late 1999. Prior to being named President of TriNet, Mr. Stein was its Executive Vice President, Chief Financial Officer and Secretary. TriNet's portfolio consisted of office, industrial and retail properties throughout the U.S. Before joining TriNet in 1995, Mr. Stein held a number of senior investment and financial management positions with Westinghouse Electric, Westinghouse Financial Services and Duquesne Light Company. Mr. Stein practiced law for eight years, specializing in financial transactions and litigation. Prior to August 2013, Mr. Stein was a member of the board of directors and served on the audit committee and the compensation committee of Wesdome Gold Mines LTD, a public company traded on the Toronto Stock Exchange. Mr. Stein received a Bachelor of Arts degree from Princeton University, a Juris Doctor degree from the University of Pittsburgh and a Master of Science degree with Distinction from the Graduate School of Industrial Administration at Carnegie Mellon University.

Scott E. Peterson is our Chief Acquisitions Officer responsible for acquisition activities and has served in such role since November 2010. Prior to this role, Mr. Peterson served as our Senior Vice President, Acquisitions since October 2004. Mr. Peterson was a managing director of GI Partners from August 2002 until October 2004. While at GI Partners, Mr. Peterson was responsible for property acquisitions with an emphasis on technical properties. Mr. Peterson has over 27 years of real estate experience and, prior to joining GI Partners, was a Senior Vice President with GIC Real Estate, the real estate investment entity for the Government of Singapore Investment Corporation, from May 1994 to August 2002. Previously, Mr. Peterson was active in investments, development and asset management with LaSalle Partners, a real estate services company, and Trammell Crow Company, a real estate developer. Mr. Peterson received a Bachelor of Arts degree from Northwestern University and a Master of Business Administration degree from Northwestern University.

Table of Contents

David J. Caron has served as our Senior Vice President of Portfolio Management since February 2009. Mr. Caron joined our Company in October 2004 as Vice President of Portfolio Management responsible for the performance of our eastern region. Mr. Caron has over 32 years of experience managing extensive portfolios of commercial properties. From 1992 until joining our Company, Mr. Caron was Vice President of Asset Management at Bank of Boston, where he specialized in the management and disposition of a national portfolio of commercial office and retail properties. Previously, Mr. Caron spent 12 years at John Hancock, where he had various roles in real estate finance for its Tucker Anthony subsidiary and in his last role he was the Vice President of Operations for John Hancock Investment Services. In that role he structured private and public real estate funds and oversaw SEC filings for the funds. Mr. Caron received a Bachelor of Science degree from Northeastern University.

Matthew J. Miszewski has served as our Senior Vice President of Sales since January 2013, and is responsible for overseeing the Company's sales and leasing efforts as well as marketing activities globally. From January 2011 until joining the Company, Mr. Miszewski was Senior Vice President, Enterprise Sales and the Global Public Sector, at Salesforce.com, an enterprise cloud computing company. Prior to this role, Mr. Miszewski also served as General Manager, Worldwide Government at Microsoft from April 2007 to December 2010, where he managed the firm's Global Public Sector business unit. Previously, Mr. Miszewski worked as Chief Information Officer for the State of Wisconsin, President of an IT consulting firm and partner in a law firm. Mr. Miszewski received a Bachelor of Arts degree from Marquette University and a Juris Doctor degree from the University of Wisconsin Law School.

Bernard Geoghegan has served as our Managing Director, EMEA since April 2013, and is responsible for managing the Company's operations and corporate activities in EMEA. Previously, Mr. Geoghegan served as Senior Vice President of International Operations at the Company from October 2008 through December 2010 after joining the Company in 2006 as Vice President, Europe. From January 2011 to March 2013, Mr. Geoghegan served as executive vice president of Colt Data Centre Services, a modular data center provider. Mr. Geoghegan is a veteran of the IT industry with over 25 years' experience in the sector. Prior to joining the Company in 2006, Mr. Geoghegan was the chief executive officer of Servecentric Ltd., a provider of co-location and premium managed services to the Irish market. Previously, Mr. Geoghegan has held senior operations and IT roles at Worldport and Xerox Europe and various IT management and software development roles with Pioneer Investments, Informix Software Inc., Digital Equipment Corporation and Ashton-Tate. Mr. Geoghegan received a Bachelor of Science degree from University College Dublin in Ireland.

Ellen Jacobs has served as our Senior Vice President of Corporate Services and Human Resources since December 2010 and is responsible for the Company's human resource and enterprise technology functions. She joined the Company in January 2007 as Vice President of Corporate Services and Human Resources. Prior to joining the Company, Ms. Jacobs held various Vice President of Human Resource positions at Charles Schwab, Advanced Micro Devices, and Continental Grain Company. Previously, Ms. Jacobs spent 15 years as a grain trader with Continental Grain, Central Soya and Cargill, Inc. Ms. Jacobs received a Bachelor of Science degree in Business from the University of Colorado Boulder and a Master of Business Administration degree from the Kellogg School of Management, Northwestern University.

Kris Kumar has served as our Senior Vice President and Regional Head of Asia Pacific since March 2012 and is responsible for overseeing our Company's corporate and operational activities in the Asia Pacific region. Prior to this role, Mr. Kumar served as our Vice President, Regional Head of Asia Pacific Corporate Development from May 2010 to March 2012. Mr. Kumar has over 31 years of experience in the IT/data center infrastructure, real estate and maritime industries. From 2004 until joining our Company, Mr. Kumar was the President and co-founder of Global DC, a consulting and project implementation business that delivered move-in ready data center projects across the Asia Pacific region. Prior to that, Mr. Kumar was Founder of CFM Group, a company engaged in business planning, project advisory/management, data center design/build and managed services across the Asia Pacific region. CFM Group was sold in 2000 to Nortel Networks, where Mr. Kumar was the head of Data Centre Strategy for Asia Pacific until 2004. Previously, Mr. Kumar also served as a Marine

Table of Contents

Engineer in the Indian, British and American Merchant Navy for 10 years. Mr. Kumar received a Bachelor's degree in Marine Engineering (Distinction) and a Postgraduate degree in Facilities Management & Finance from Sydney University.

Joshua A. Mills has served as our Senior Vice President, General Counsel and Assistant Secretary since December 2010. Mr. Mills joined the Company in April 2005 as General Counsel. Prior to joining the Company, Mr. Mills was a corporate attorney with Latham & Watkins LLP where his practice included mergers and acquisitions, corporate finance and venture capital financing transactions as well as general company representation. Prior to joining Latham & Watkins, Mr. Mills served as Associate General Counsel for McAfee.com Corporation and as an associate with Shearman & Sterling, LLP. Mr. Mills received a Bachelor of Arts degree from the University of Washington and a Juris Doctor degree from the University of California, Hastings College of the Law.

Edward F. Sham has served as our Senior Vice President and Controller since December 2010. He joined the Company in September 2005 as Vice President and Controller, in which position he served until November 2010. With more than 20 years' experience in accounting and real estate, Mr. Sham held positions as Vice President & Controller of Catellus Development Corporation, now part of ProLogis; Controller of Bay Apartment REIT, now Avalon Bay; and Portfolio Controller of O'Connor Realty Advisors. In addition, Mr. Sham was a certified public accountant with Ernst & Young LLP in their real estate group for seven years. Mr. Sham received a Bachelor of Science degree from San Francisco State University and is a member of AICPA and California CPA society.

James M. Smith has served as our Chief Technology Officer since January 2008 and is responsible for overseeing data center development, and power procurement and energy management. Mr. Smith joined the Company in November 2004 as Engineering Director. Thereafter, Mr. Smith served as Vice President, Engineering from January 2007 to December 2007. Mr. Smith has over 13 years of data center development experience, including as Chief Technical Officer at Colo.com, Founder and General Manager of ATMnet, which was acquired by Verio in 1997, and General Manager at 360networks. Mr. Smith received a Bachelor of Science degree in Chemistry from Fort Lewis College and a Master of Business Administration degree from London Business School.

Board Governance Documents

The Board maintains charters for all its committees. In addition, the Board has adopted a written set of Corporate Governance Guidelines, as well as a Code of Business Conduct and Ethics that applies to the Company's employees, officers and directors, including our principal executive officer and principal financial officer. To view the charters of our Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee, Corporate Governance Guidelines and Code of Business Conduct and Ethics, please visit our website at www.digitalrealty.com. Each of these documents is also available, free of charge, in print to any stockholder who sends a written request to such effect to A. William Stein, Secretary, Digital Realty Trust, Inc., Four Embarcadero Center, Suite 3200, San Francisco, CA 94111.

Independent Directors

New York Stock Exchange (NYSE) listing standards require NYSE-listed companies to have a majority of independent board members and an audit committee, compensation committee and nominating and corporate governance committee each composed solely of independent directors. Under the NYSE listing standards, no director of a company qualifies as independent unless the board of directors of such company affirmatively determines that the director has no material relationship with such company (either directly or as a partner, stockholder or officer of an organization that has a relationship with such company).

Table of Contents

In addition, the NYSE listing standards provide that a director is not independent if:

- (i) the director is, or has been within the last three years, an employee of the listed company, or an immediate family member is, or has been within the last three years, an executive officer of the listed company;
- (ii) the director has received, or has an immediate family member who has received, during any twelve-month period within the last three years, more than \$120,000 in direct compensation from the listed company, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service);
- (iii) (A) the director is a current partner or employee of a firm that is the company's internal or external auditor; (B) the director has an immediate family member who is a current partner of such a firm; (C) the director has an immediate family member who is a current employee of such a firm and personally works on the listed company's audit; or (D) the director or an immediate family member was within the last three years a partner or employee of such a firm and personally worked on the listed company's audit within that time;
- (iv) the director or an immediate family member is, or has been within the last three years, employed as an executive officer of another company where any of the listed company's present executive officers at the same time serves or served on that company's compensation committee; or
- (v) the director is a current employee, or an immediate family member is a current executive officer, of a company that has made payments to, or received payments from, the listed company for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of \$1 million or 2% of such other company's consolidated gross revenues.

The Board by resolution has affirmatively determined that, based on the standards set forth in the NYSE rules and our corporate governance documents, all nominees for election to the Board at the Annual Meeting are independent (the "Independent Directors").

Board Meetings

The Board held ten meetings and the Independent Directors met in executive session five times during 2013. During 2013 Mr. Singleton, as the Chairman of the Board, has served as the presiding director of the executive sessions of the Independent Directors. The number of meetings for each Board committee is set forth below under the heading "Board Committees." During the year ended December 31, 2013, each of the directors attended at least 75% of the total number of meetings of the Board and of the committees on which he or she served. All of the then-current directors attended the 2013 Annual Meeting, and the Board expects all current directors to attend the 2014 Annual Meeting barring unforeseen circumstances or irresolvable conflicts.

Board Leadership Structure

We separate the roles of Chief Executive Officer and Chairman of the Board in recognition of the differences between the two roles. The Chief Executive Officer is responsible for setting the strategic direction for the Company and the day-to-day leadership and performance of the Company, while the Chairman of the Board provides guidance to the Chief Executive Officer and sets the agenda for Board meetings and presides over meetings of the full Board and executive sessions of the Independent Directors. This separation of the roles of Chairman and Chief Executive Officer also allows for greater oversight of the Company by the Board. The Board has determined that our Board leadership structure is the most appropriate at this time, given the specific characteristics and circumstances of the Company, and the skills and experience of Mr. Singleton.

Table of Contents**Board Committees***Audit Committee*

We have a separately designated standing Audit Committee established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended (the Exchange Act). The function of the Audit Committee is to assist the Board with its oversight responsibilities regarding: (i) the integrity of the Company's financial statements; (ii) the Company's compliance with legal and regulatory requirements; (iii) the qualifications, engagement, compensation, and independence of the registered public accounting firm that audits the Company's financial statements (the independent auditor); and (iv) the performance of the Company's internal audit function and independent auditor. The Audit Committee also prepares the disclosure required by federal securities laws to be included in the Company's annual Proxy Statement. The Audit Committee is directly responsible and has sole authority for the appointment, compensation, retention, termination, evaluation and oversight of the work of the independent auditor for the purpose of preparing or issuing an audit report or related work or performing other audit, review or attest services for the Company. In addition, the Audit Committee is responsible for reviewing, at least annually, the independence, performance, qualifications and quality control procedures of the independent auditor and the experience and qualifications of the independent auditor's senior personnel; and oversight of the annual audit, quarterly review, and internal audit.

The Audit Committee carries out its responsibilities in accordance with the terms of our Audit Committee Charter, which is located on our website at www.digitalrealty.com and is available in print to any stockholder who requests it by writing to our Secretary, as provided for in

Board Governance Documents. Mr. Chapman is Chair and Ms. Earley, Ms. Ernst and Mr. LaPerch are members of the Audit Committee. The Board has determined that Mr. Chapman is an audit committee financial expert as defined by the SEC. The Audit Committee meets the NYSE composition requirements, including the requirements dealing with financial literacy and financial sophistication. The Audit Committee is composed of Independent Directors under the current NYSE listing standards. Such directors also satisfy the independence requirements of Section 10A-3(m) of the Exchange Act and Rule 10A-3(b)(i). During 2013, the Audit Committee met four times.

Before the Company's independent auditor is engaged by the Company or its subsidiaries to render audit or non-audit services, the Audit Committee is required to pre-approve the engagement. A President Research and Development

2009	\$145,320	\$10,000	\$22,314	\$	\$16,673	\$194,307
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Nancy Baldwin

2010	\$150,979	\$17,000	\$33,700	\$	\$6,371	\$208,050
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Vice President Human Resources and Investor Relations

2009	\$147,992	\$10,000	\$22,314	\$	\$7,633	\$187,939
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- (1) These amounts were earned in 2010 and 2009, but paid in early 2010 and 2011, respectively. Bonus compensation is driven by company performance against its revenue, business development and other goals as ultimately determined by the Board of Directors.
- (2) The amounts in this column represent the aggregate fair value of awards granted in 2010 and 2009 fiscal years in accordance with FASB ASC Topic 718. See Note 12 of the notes to our financial statements contained elsewhere in this Annual Report for a discussion of all assumptions made by us in determining the FASB ASC Topic 718 values.
- (3) None.
- (4) The amounts in this column represent 401(k) match, health and life insurance. Health insurance benefits are the same for all employees. Life insurance is provided in the amount of one times the annual base salary with a maximum of \$150,000.
- (5) Effective February 2009, Mr. Jankowski was appointed President and Chief Executive Officer.
- (6) Effective June 2009, Mr. Cesario joined Nanophase as our Chief Financial Officer.

Employment Agreements

Effective as of August 12, 2009, the Company entered into an employment agreement with Jess Jankowski in connection with his services as President and Chief Executive Officer of the Company. No term has been assigned to Mr. Jankowski's employment agreement.

Pursuant to the terms of his employment agreement, Mr. Jankowski will receive an annual base salary of not less than \$275,000. In addition, Mr. Jankowski will be eligible for discretionary bonuses for services to be performed as an executive officer of the Company based on performance and achieving milestones approved by the Board of Directors of the Company (the Board).

Mr. Jankowski will be eligible for such stock options and other equity compensation as the Board deems appropriate, subject to the provisions of the Company's 2010 Equity Compensation Plan (the Plan). Mr. Jankowski will also be entitled to the employee benefits made available by the Company generally to all other executive officers of the Company, subject to the terms and conditions of the Company's employee benefit plan in effect from time to time.

In the event Mr. Jankowski's employment is terminated other than for cause (as such term is defined in the employment agreement), Mr. Jankowski will receive a sum equal to Mr. Jankowski's base salary in effect at the time of termination for 52 full weeks after the effective date of termination, payable in proportionate amounts on the Company's regular pay cycle for professional employees, provided that Mr. Jankowski signs, without subsequent revocation, a separation agreement and release in a form acceptable to the Company. In addition, all stock options granted to Mr. Jankowski prior to termination will become fully vested and exercisable in accordance with the applicable option grant agreement and the Plan. If he is terminated for cause, or if he resigns as an employee of the Company, Mr. Jankowski will not be entitled to any severance or other benefits accruing after the term of the employment agreement and such rights will be forfeited immediately upon the end of such term.

If, within two years after the occurrence of a change in control, as defined in his employment agreement, Mr. Jankowski's employment is terminated other than for cause, his responsibilities or annual compensation are materially reduced without his prior consent, or the Company ceases to be publicly held (each, a Trigger), then, subject to Mr. Jankowski signing, without subsequently revoking, a Separation Agreement and Release in a form acceptable to the Company, Mr. Jankowski will receive a sum equal to his base salary for 104 full weeks after the date the Trigger occurs. In addition, all stock options granted to Mr. Jankowski prior to the Trigger will become fully vested and exercisable in accordance with the applicable option grant agreement and the Plan.

Effective as of June 24, 2009, the Company entered into an employment agreement with Mr. Frank Cesario providing for an annual base salary of not less than \$150,000. The Company also granted to Mr. Cesario options to purchase up to 20,000 shares of Common Stock at an exercise price of \$1.07 per share with options for one-third of such shares becoming exercisable on each of the first three anniversaries of the dates of grant. No term has been assigned to Mr. Cesario's employment agreement. If Mr. Cesario is terminated other than for cause (as such term is defined in Mr. Cesario's employment agreement), Mr. Cesario will receive severance benefits in an amount equal to Mr. Cesario's base salary for 3 weeks.

Effective as of September 28, 2008, the Company entered into an employment agreement with Mr. Nelson providing for an annual base salary of not less than \$185,000. No term has been assigned to Mr. Nelson's employment agreement. If Mr. Nelson is terminated other than for cause (as such term is defined in Mr. Nelson's employment agreement), Mr. Nelson will receive severance benefits in an amount equal to Mr. Nelson's base salary for 39 weeks.

Effective as of September 25, 2008, the Company entered into an employment agreement with Dr. Patrick Murray providing for an annual base salary of not less than \$150,000. No term has been assigned to Dr. Murray's employment agreement. If Dr. Murray is terminated other than for cause (as such term is defined in Dr. Murray's employment agreement), Dr. Murray will receive severance benefits in an amount equal to Dr. Murray's base salary for 26 weeks.

Effective as of September 25, 2008, the Company entered into an employment agreement with Ms. Nancy Baldwin providing for an annual base salary of not less than \$150,000. No term has been assigned to Ms. Baldwin's employment agreement. If Ms. Baldwin is terminated other than for cause (as such term is defined in Ms. Baldwin's employment agreement), Ms. Baldwin will receive severance benefits in an amount equal to Ms. Baldwin's base salary for 26 weeks.

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END

The following table sets forth information regarding each unexercised option held by each of our named executive officers as of December 31, 2010.

NAME	OPTION AWARDS				STOCK AWARDS	
	NUMBER OF SECURITIES UNDERLYING UNEXERCISED EARNED OPTIONS (#) EXERCISABLE	EQUITY INCENTIVE PLAN AWARDS: NUMBER OF SECURITIES UNDERLYING UNEXERCISED UNEARNED OPTIONS (#) UNEXERCISABLE	OPTION EXERCISE PRICE (\$)	OPTION EXPIRATION DATE	EQUITY INCENTIVE PLAN AWARDS: NUMBER OF SHARES OF STOCK THAT HAVE NOT VESTED (#)	EQUITY INCENTIVE PLAN AWARDS: MARKET VALUE OF SHARES OF STOCK THAT HAVE NOT VESTED (\$)
Jess Jankowski	13,000	-0-	\$ 10.875	01/26/11		
	13,000	-0-	\$ 7.062	02/28/11		
	20,000	-0-	\$ 6.650	01/03/12		
	18,000	-0-	\$ 3.660	03/24/13		
	11,000	-0-	\$ 5.550	10/11/14		
	10,000	-0-	\$ 6.030	09/27/15		
	15,000	-0-	\$ 6.010	09/27/16		
	18,000	-0-	\$ 4.480	11/06/17		
	15,333	7,667	\$ 3.140	05/12/18		
	10,000	20,000	\$ 1.020	05/04/19		
-0-	27,000	\$ 1.700	05/03/20			
Frank Cesario	6,666	13,334	\$ 1.070	06/24/19		
	-0-	20,000	\$ 1.700	05/03/20		
David Nelson	21,000	14,000	\$ 6.130	04/09/17		
	15,000	-0-	\$ 4.480	11/06/17		

	13,333	6,667	\$ 3.140	05/12/18
	10,000	20,000	\$ 1.020	05/04/19
	-0-	27,000	\$ 1.700	05/03/20
Patrick Murray	2,400	-0-	\$ 6.650	01/03/12
	3,000	-0-	\$ 5.550	10/11/14
	3,000	-0-	\$ 6.030	09/27/15
	9,000	-0-	\$ 6.010	09/27/16
	9,000	-0-	\$ 4.480	11/06/17
	10,666	5,334	\$ 3.140	05/12/18
	10,000	20,000	\$ 1.020	05/04/19
	-0-	27,000	\$ 1.700	05/03/20
Nancy Baldwin	6,000	-0-	\$ 6.650	01/03/12
	3,000	-0-	\$ 5.550	10/11/14
	7,500	-0-	\$ 6.010	09/27/16
	9,000	-0-	\$ 4.480	11/06/17
	10,000	5,000	\$ 3.140	05/12/18
	10,000	20,000	\$ 1.020	05/04/19
	-0-	27,000	\$ 1.700	05/03/20

POTENTIAL PAYMENT UPON TERMINATION OR CHANGE IN CONTROL

Severance Protection. Please see discussion of severance benefits under Item 11 Employment Agreements above.

Change in Control. Upon a change in control, the 2001 Equity Compensation Plan (the predecessor to the 2004 Equity Compensation Plan), the 2004 Equity Compensation Plan (the predecessor to the 2010 Equity Compensation Plan) and the 2010 Equity Compensation Plan each provide that: (1) vesting under all outstanding stock options will automatically accelerate and each option will become fully exercisable; (2) the restrictions and conditions on all outstanding restricted shares shall immediately lapse; and (3) the holders of performance shares will receive a payment in settlement of the performance shares, in an amount determined by the Compensation Committee, based on the target payment for the performance period and the portion of the performance period that precedes the change in control. If the Company is not the surviving entity, the successor is required to assume all unexercised options. Under the Company's 1992 Stock Option Plan, the vesting of options issued under it is accelerated upon a sale or merger (as defined in the 1992 Stock Option Plan).

The following table quantifies the estimated payments that would be made in each covered circumstance to our named executive officers:

NAME	TERMINATION BY COMPANY	CHANGE IN	INVOLUNTARY TERMINATION
	WITHOUT CAUSE (1)	CONTROL (2)	IN CONNECTION WITH OR FOLLOWING A CHANGE IN CONTROL (3)
Jess Jankowski	\$ 566,000	\$ 5,700	\$ 571,700
Frank Cesario	\$ 9,000	\$ 2,800	\$ 11,800
David Nelson	\$ 144,000	\$ 5,700	\$ 149,700
Patrick Murray	\$ 85,000	\$ 5,700	\$ 90,700
Nancy Baldwin	\$ 78,000	\$ 5,700	\$ 83,700
H. Glenn Judd	\$ 75,000	\$ 5,700	\$ 80,700

- (1) This amount represents the severance benefits that would be received under the executive officers employment agreement as described had the executive officer been terminated by the Company without cause on December 31, 2010.
- (2) This amount represents an estimate of the value that would have been received under the equity compensation plans had a change in control occurred as of December 31, 2010 and the executive officers benefited from an acceleration of vesting in the equity-based plan awards, as described above. For this purpose, the share price as of December 31, 2010 was used. The amount represents the difference between the exercise price of any unvested options and \$1.21.
- (3) This amount represents an estimate of the payments and value that would have been received by the executive officers had the executive officers been terminated by the Company without cause on December 31, 2010 in connection with a change in control on this date. It is the sum of the first two columns.

SECURITY OWNERSHIP OF MANAGEMENT

AND PRINCIPAL STOCKHOLDERS

The following table sets forth, as of May 15, 2011 certain information with respect to the beneficial ownership of the common stock by (1) each person known by the Company to own beneficially more than 5% of the outstanding shares of common stock, (2) each Company director, (3) each of the Company's named executive officers and (4) all Company executive officers and directors as a group.

Name	Number of Shares Beneficially Owned (1)	Percent of Shares Beneficially Owned
Bradford T. Whitmore	5,188,307(2)	24.47%
Spurgeon Corporation	4,763,920(3)	22.47%
Grace Brothers, Ltd.	4,463,920(4)	21.05%
Altana Chemie, AG	1,256,281(5)	5.92%
James A. Henderson	22,410(6)	*
Richard W. Siegel, Ph.D.	221,350(7)	1.04%
James McClung	27,771(8)	*
Jerry Pearlman	35,948(9)	*
Donald S. Perkins	67,811(10)	*
R. Janet Whitmore	184,291(11)	*
George A. Vincent, III	10,000(12)	*
Jess Jankowski	157,416(13)	*
David Nelson	94,000(14)	*
Patrick Murray, Ph.D.	71,400(15)	*
Nancy Baldwin	69,500(16)	*
Frank Cesario	19,999(17)	*
All executive officers and directors as a group (12 persons)	981,896(18)	4.60%

Unless otherwise indicated below, the persons address is the same as the address for the Company.

* Denotes beneficial ownership of less than one percent.

- (1) Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission (the "Commission"). Unless otherwise indicated below, the persons in the above table have sole voting and investment power with respect to all shares of common stock shown as beneficially owned by them.

- (2) Includes 4,463,920 shares of common stock held by Grace Brothers, Ltd., 300,000 shares of common stock held by Grace Investments, Ltd. and 424,387 shares held by Bradford T. Whitmore. Mr. Whitmore is a general partner of both Grace entities. In such capacities, Mr. Whitmore shares voting and investment power with respect to the shares of common stock held by the Grace entities. This information is based on information reported on Form 4 filed on December 24, 2009 with the Commission by Mr. Whitmore. The address of the stockholder is 1560 Sherman Avenue, Suite 900, Evanston, Illinois 60201.
- (3) Includes 4,463,920 shares of common stock held by Grace Brothers, Ltd. and 300,000 shares of common stock held by Grace Investments, Ltd. Spurgeon Corporation is a general partner of both Grace entities and shares voting and investment power with respect to the shares of common stock held by such Grace entities. This information is based on information reported on Form 4 filed on December 24, 2009 with the Commission by Spurgeon Corporation. The address of the stockholder is 1560 Sherman Avenue, Suite 900, Evanston, Illinois 60201.
- (4) This information is based on information reported on Form 4 filed on December 24, 2009 with the Commission by Spurgeon Corporation and Bradford T. Whitmore. The address of the stockholder is 1560 Sherman Avenue, Suite 900, Evanston, Illinois 60201.
- (5) In accordance with the terms of the private placement of 1,256,281 shares of common stock to Altana Chemie AG, the Company filed a registration statement for the shares on February 5, 2007 which was declared effective by the SEC on May 18, 2007.
- (6) Includes Mr. Henderson s 14,000 shares of common stock issuable upon exercise of options exercisable currently or within 60 days of May 15, 2011.
- (7) Includes Dr. Siegel s 4,000 shares of common stock issuable upon exercise of options exercisable currently or within 60 days of May 15, 2011.
- (8) Includes Mr. McClung s 4,000 shares of common stock issuable upon exercise of options exercisable currently or within 60 days of May 15, 2011.
- (9) Includes Mr. Pearlman s 4,000 shares of common stock issuable upon exercise of options exercisable currently or within 60 days of May 15, 2011.
- (10) Includes Mr. Perkins 19,000 shares of common stock issuable upon exercise of options exercisable currently or within 60 days of May 15, 2011.
- (11) Includes Ms. Whitmore s 10,000 shares of common stock issuable upon exercise of options exercisable currently or within 60 days of May 15, 2011.
- (12) Includes Mr. Vincent s 10,000 shares of common stock issuable upon exercise of options exercisable currently or within 60 days of May 15, 2011.
- (13) Includes Mr. Jankowski s 144,000 shares of common stock issuable upon exercise of options exercisable currently or within 60 days of May 15, 2011.

- (14) Includes Mr. Nelson s 92,000 shares of common stock issuable upon exercise of options exercisable currently or within 60 days of May 15, 2011.
- (15) Includes Dr. Murray s 71,400 shares of common stock issuable upon exercise of options exercisable currently or within 60 days of May 15, 2011.
- (16) Includes Ms. Baldwin s 69,500 shares of common stock issuable upon exercise of options exercisable currently or within 60 days of May 15, 2011.
- (17) Includes Mr. Cesario s 19,999 shares of common stock issuable upon exercise of options exercisable currently or within 60 days of May 15, 2011.
- (18) Includes all executive officers and directors as a group s 461,899 shares of common stock issuable upon exercise of options exercisable currently or within 60 days of May 15, 2011.

Equity Compensation Plan Information

The following table gives information about our common stock that may be issued upon the exercise of options and rights under all of our existing compensation plans on December 31, 2010, including the 1992 Amended and Restated Stock Option Plan, the 2001 Equity Compensation Plan and the recently adopted 2010 Equity Compensation Plan. The 2010 Equity Compensation Plan (the Plan or the 2010 Plan) replaced the 2004 Equity Compensation Plan (the 2004 Plan), the 2005 Non-Employee Director Restricted Stock Plan (as amended, the 2005 Plan), and the Amended and Restated 2006 Stock Appreciation Rights Plan (the 2006 Plan).

Plan Category	(a) Number of securities to be issued upon exercise of outstanding options, warrants and rights	(b) Weighted-average exercise price of outstanding options and rights	(c) Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Plans Approved by Shareholders	1,409,595	\$ 3.34	1,996,005
Plans Not Approved by Shareholders	None	\$	None

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Review of Related Person Transactions. The Company had no transactions in 2010 or 2009 in which any related person had or will have a direct or indirect material interest.

Director Independence. The Board of Directors has determined that the following directors are independent as that term is defined in (i) paragraph (m) of Section 10A of the Securities Exchange Act of 1934 (15 U.S.C. 78f), and the rules and regulations of the Securities and Exchange Commission promulgated thereunder, and (ii) the rules of the NASDAQ stock

market: Mr. McClung, Mr. Henderson, Mr. Pearlman, Mr. Perkins, Dr. Siegel, Mr. Vincent and Mr. Tyler.

The Board of Directors has established an Audit and Finance Committee, Compensation and Governance Committee and a Nominating Committee each comprised entirely of independent directors. The members of the Audit and Finance Committee are Mr. McClung (Chairman), Mr. Pearlman, Mr. Perkins and Mr. Vincent. The members of the Compensation and Governance Committee are Mr. Pearlman (Chairman), Mr. Henderson, Mr. Perkins and Mr. Vincent. The members of the Nominating Committee are Mr. Henderson (Chairman), Mr. McClung, Mr. Pearlman, Mr. Perkins, Dr. Siegel and Mr. Vincent.

PROPOSAL 2

RATIFICATION OF APPOINTMENT OF AUDITORS

The Audit and Finance Committee has appointed McGladrey and Pullen, LLP, an independent registered public accounting firm, as auditors of the Company's financial statements for the year ended December 31, 2011. McGladrey and Pullen, LLP has been engaged as auditors for the Company since November 2001. The Audit and Finance Committee has determined to afford stockholders the opportunity to express their opinions on the matter of auditors and, accordingly, is submitting to the stockholders at the Annual Meeting a proposal to ratify the Audit and Finance Committee's appointment of McGladrey & Pullen, LLP. If a majority of the shares voted at the Annual Meeting, in person or by proxy, are not voted in favor of the ratification of the appointment of McGladrey & Pullen, LLP, the Audit and Finance Committee will interpret this as an instruction to seek other auditors. The following fees were incurred by the Company for the services of McGladrey & Pullen, LLP in relation to the 2010 and 2009 fiscal years.

Audit Fees. The aggregate amount billed by our principal accountant, McGladrey & Pullen, LLP, for audit services performed for the fiscal years ended December 31, 2010 and 2009 was \$146,000 and \$163,000, respectively. Audit services include the auditing of financial statements and quarterly reviews.

Audit Related Fees. Total fees billed by McGladrey & Pullen, LLP was \$0 and \$16,000 for the years ended December 31, 2010 and 2009, which included costs incurred for reviews of registration statements, assistance with Staff comment letters, and consultation on various accounting matters in support of the Company's financial statements.

Tax Fees. Total fees billed by RSM McGladrey, Inc. (an affiliate of McGladrey & Pullen, LLP) for tax related services for the fiscal years ended December 31, 2010 and 2009 were \$0 and \$7,000, respectively. These services included the preparation of federal and state income tax returns and other tax matters.

All Other Fees. Other than those fees described above, during the fiscal year ended December 31, 2010 and 2009 there were no other fees billed for services performed by McGladrey & Pullen, LLP or RSM McGladrey, Inc.

All of the fees described above were approved by Nanophase's Audit and Finance Committee.

Audit and Finance Committee Pre-Approval Policies and Procedures. Nanophase's Audit and Finance Committee pre-approves the audit and non-audit services performed by McGladrey & Pullen, LLP, our principal accountants, and RSM McGladrey, Inc. (an affiliate of McGladrey & Pullen, LLP) in order to assure that the provision of such services does not impair McGladrey & Pullen, LLP's independence. Unless a type of service to be provided by McGladrey & Pullen, LLP and RSM McGladrey, Inc. (an affiliate of McGladrey & Pullen, LLP) has received general pre-approval, it will require specific pre-approval by the Audit and Finance Committee. In addition, any proposed services exceeding pre-approval cost levels will require specific pre-approval by the Audit and Finance Committee.

The term of any pre-approval is 12 months from the date of pre-approval, unless the Audit and Finance Committee specifically provides for a different period. The Audit and Finance Committee will periodically revise the list of pre-approved services, based on subsequent determinations, and has delegated pre-approval authority to the Chairman of the Audit and Finance Committee. In the event the Chairman exercises such delegated authority, he shall report such pre-approval decisions to the Audit and Finance Committee at its next scheduled meeting. The Audit and Finance Committee does not delegate its responsibilities to pre-approve services performed by the independent auditor to management. The Audit and Finance Committee does not delegate its responsibilities to pre-approve services performed by the independent auditor to management.

It is expected that representatives of McGladrey & Pullen will be present at the meeting and will be available to respond to questions. They will be given an opportunity to make a statement if they desire to do so.

THE BOARD OF DIRECTORS AND THE AUDIT AND FINANCE COMMITTEE RECOMMEND THAT THE STOCKHOLDERS VOTE FOR THE RATIFICATION OF THE APPOINTMENT OF McGLADREY & PULLEN, LLP AS THE INDEPENDENT AUDITORS OF THE COMPANY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2011.

MISCELLANEOUS AND OTHER MATTERS

Solicitation The cost of this proxy solicitation will be borne by the Company. The Company may request banks, brokers, fiduciaries, custodians, nominees and certain other record holders to send proxies, proxy statements and other materials to their principals at the Company's expense. Such banks, brokers, fiduciaries, custodians, nominees and other record holders will be reimbursed by the Company for their reasonable out-of-pocket expenses of solicitation. The Company does not anticipate that costs and expenses incurred in connection with this proxy solicitation will exceed an amount normally expended for a proxy solicitation for an election of directors in the absence of a contest.

Proposals of Stockholders Proposals of stockholders (1) intended to be considered at the Company's 2012 Annual Meeting of Stockholders (the 2012 Annual Meeting) and (2) to be considered for inclusion in the Company's proxy statement and proxy for the 2012 Annual Meeting must be received by the Secretary of the Company on or before February 25, 2012. If a stockholder submits a proposal to be considered at the 2012 Annual Meeting other than in accordance with Rule 14a-8 under the Securities Exchange Act of 1934, as amended, and does not provide notice of such proposal to the Company by May 10, 2012, the holders of any proxy solicited by the Company's Board of Directors for use at such meeting will have discretionary authority to vote with respect to any proposal as to which timely notice is not given.

Other Business The Board of Directors is not aware of any other matters to be presented at the Annual Meeting other than those mentioned in this Proxy Statement and the Company's Notice of Annual Meeting of Stockholders enclosed herewith. If any other matters are properly brought before the Annual Meeting, however, it is intended that the persons named in the proxies will vote such proxies as the Board of Directors directs.

Section 16(a) Beneficial Ownership Reporting Compliance Section 16 of the Securities Exchange Act of 1934, as amended (the Exchange Act), requires the Company's officers (as defined under Section 16), directors and persons who beneficially own greater than 10% of a registered class of the Company's equity securities to file reports of ownership and changes in ownership with the Securities and Exchange Commission. Based solely on a review of the forms it has received and on written representations from certain reporting persons that no such forms were required for them, the Company believes that during 2010 except as stated below, all Section 16 filing requirements applicable to its officers, directors and 10% beneficial owners were complied with by such persons. Option grants to Messrs. Jankowski, Cesario and Nelson, Ms. Baldwin, and Dr. Murray on May 3, 2010 were filed with the SEC on May 6, 2010.

Historical Legal Proceedings Involving Director In 2001, George Tatz, a purchaser of 200 shares of the Company's common stock, filed a class action complaint against the Company and its former Chief Executive Officer, Joseph Cross, in the United States District Court for the Northern District of Illinois. The complaint alleged that defendants violated the federal Securities Exchange Act of 1934 (the Act) by making supposedly fraudulent material misstatements of fact in connection with the Company's public disclosures about a British customer, Celox. Plaintiff subsequently filed an amended complaint, alleging that the Company, three former officers and Jess Jankowski, then-acting chief financial

officer, made additional supposedly fraudulent material misstatements of fact in connection with the Company's public disclosures concerning the Company's dealings with Celox. The Company denied these allegations. The Company and its directors and officers liability insurance carrier decided in 2003 to avoid protracted litigation and defense costs by agreeing to settle all claims against all defendants for \$2,500,000. Thereafter, the Court approved the settlement and dismissed the case with prejudice. The settlement did not admit liability by any party. In 2005, the Court ordered distribution of the net settlement fund to the plaintiff class. Because the settlement was funded by the Company's directors and officers liability insurance, the settlement did not have a material adverse effect on the Company's financial position or results of operation.

Additional Information The Company will furnish without charge a copy of its Annual Report on Form 10-K for its year ended December 31, 2010, as filed with the Commission, upon the written request of any person who is a stockholder as of the Record Date, and will provide copies of the exhibits to such Form 10-K upon payment of a reasonable fee which shall not exceed the Company's reasonable expenses in connection therewith. Requests for such materials should be directed to Nanophase Technologies Corporation, 1319 Marquette Drive, Romeoville, Illinois 60446, Attention: Nancy Baldwin, Vice President - Human Resources and Investor Relations.

By order of the Board of Directors

/s/ FRANK CESARIO
Frank Cesario
Chief Financial Officer

Romeoville, Illinois

June 24, 2011

ALL STOCKHOLDERS ARE REQUESTED TO COMPLETE, DATE, SIGN AND RETURN THE ENCLOSED PROXY PROMPTLY.

NANOPHASE TECHNOLOGIES CORPORATION

PROXY

PROXY

NANOPHASE TECHNOLOGIES CORPORATION

1319 MARQUETTE DRIVE

ROMEOVILLE, ILLINOIS 60446

PROXY FOR THE ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD ON AUGUST 9, 2011

THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS

The undersigned stockholder(s) hereby appoints Jess Jankowski with full power of substitution, as attorney and proxy for, and in the name and place of, the undersigned, and hereby authorizes Mr. Jankowski to represent and to vote all of the shares which the undersigned is entitled to vote at the Annual Meeting of Stockholders of Nanophase Technologies Corporation to be held at Nanophase Technologies Corporation, 1319 Marquette Drive, Romeoville, Illinois, 60446, on Tuesday, August 9, 2011 at 9:00 a.m., Chicago time, and at any adjournments thereof, upon the matters as set forth in the Notice of Annual Meeting of Stockholders and Proxy Statement, receipt of which is hereby acknowledged.

THIS PROXY, WHEN PROPERLY EXECUTED AND RETURNED IN A TIMELY MANNER, WILL BE VOTED AT THE ANNUAL MEETING AND AT ANY ADJOURNMENTS THEREOF IN THE MANNER DIRECTED HEREIN BY THE UNDERSIGNED STOCKHOLDER(S). IF NO CONTRARY INDICATION IS MADE, THE PROXY WILL BE VOTED FOR NOMINEES LISTED IN PROPOSAL 1 AND FOR PROPOSAL 2, AND IN ACCORDANCE WITH THE JUDGMENT OF THE PERSONS NAMED AS PROXIES HEREIN ON ANY OTHER MATTERS THAT MAY PROPERLY COME BEFORE THE ANNUAL MEETING.

PLEASE MARK, SIGN, DATE AND RETURN THIS PROXY CARD PROMPTLY USING THE ENCLOSED ENVELOPE.

(continued, and to be signed and dated, on reverse side)

h **FOLD AND DETACH HERE** h
NANOPHASE TECHNOLOGIES CORPORATION

PLEASE MARK VOTE IN OVAL IN THE

FOLLOWING MANNER USING DARK INK ONLY. x

Please date this Proxy and sign it exactly as your name(s) appears hereon.

When shares are held by joint tenants, both should sign. When signing as an attorney, executor, administrator, trustee, guardian or other fiduciary, please indicate your capacity. If you sign for a corporation, please print full corporate name and indicate capacity of duly authorized officer executing on behalf of the corporation.

If you sign for a partnership, please print full partnership name and indicate capacity of duly authorized person executing on behalf of the partnership.

PLEASE VOTE, SIGN EXACTLY AS NAME APPEARS ABOVE, DATE AND RETURN THIS PROXY CARD PROMPTLY USING THE ENCLOSED ENVELOPE.

h ***FOLD AND DETACH HERE*** h