

CyrusOne Inc.
Form DEF 14A
March 19, 2014

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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

CyrusOne 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):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
 - (1) Title of each class of securities to which transaction applies:
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- o Fee paid previously with preliminary materials.
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-

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON MAY 1, 2014**

To our stockholders:

You are cordially invited to attend the 2014 annual meeting of the stockholders of CyrusOne Inc., a Maryland corporation (the "Company" or "CyrusOne"), which will be held at the W Hotel Dallas, located at 2440 Victory Park Lane, Dallas, TX 75219, on May 1, 2014 at 11:00 a.m., local time. At the meeting, stockholders will consider and vote on the following matters:

1. the election of nine directors, each to hold office until our 2015 annual meeting of stockholders and until his or her successor has been duly elected and qualifies;
2. the approval of our 2014 Employee Stock Purchase Plan;
3. the approval of the material terms of the performance goals under our 2012 Long-Term Incentive Plan for purposes of Internal Revenue Code Section 162(m);
4. the approval of the material terms of the performance goals under our 2013 Short-Term Incentive Plan for purposes of Internal Revenue Code Section 162(m); and
5. the ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for the year ending December 31, 2014.

In addition, stockholders will transact such other business as may properly come before the annual meeting, including any adjournments or postponements of the meeting.

If you own shares of our common stock as of the close of business on March 3, 2014, you can vote those shares by proxy or at the meeting.

Pursuant to rules promulgated by the Securities and Exchange Commission (the "SEC"), we are providing access to our proxy materials over the internet. On March 19, 2014, we mailed our stockholders either (i) a copy of this proxy statement, the accompanying proxy card, our annual report and the Notice of Internet Availability of Proxy Materials (the "Notice") or (ii) the Notice only, each in connection with the solicitation of proxies by the Board of Directors for exercise at the annual meeting and any adjournments or postponements thereof. If you received only the Notice by mail, you will not receive a printed copy of the proxy materials other than as described herein. The Notice contains instructions for your use of this process, including how to access our proxy statement and annual report over the internet, how to authorize your proxy to vote online and how to request a paper copy of the proxy statement and annual report.

If you are unable to attend the meeting in person, it is very important that your shares be represented and voted at the annual meeting. You may authorize your proxy to vote your shares over the internet as described in the Notice. Alternatively, if you received a paper copy of the proxy card by mail, please complete, date, sign and promptly return the proxy card in the self-addressed stamped envelope provided. You also may authorize your proxy by telephone as described in your proxy card. If you authorize your proxy over the internet, by mail or by telephone prior to the annual meeting, you may nevertheless revoke your proxy and cast your vote personally at the meeting.

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By Order of the Board of Directors:

THOMAS W. BOSSE

Vice President, General Counsel and Secretary

1649 West Frankford Road
Carrollton, Texas 75007
March 19, 2014

CYRUSONE INC.

2014 ANNUAL MEETING OF STOCKHOLDERS

PROXY STATEMENT

QUESTIONS AND ANSWERS

Q: *Why did I receive a Notice of Internet Availability of Proxy Materials?*

A: The Board of Directors is soliciting proxies to be voted at our annual meeting. The annual meeting will be held at the W Hotel Dallas, located at 2440 Victory Park Lane, Dallas, Texas, 75219, on Thursday, May 1, 2014, at 11:00 a.m., local time. Pursuant to rules promulgated by the Securities and Exchange Commission (the "SEC"), we are providing access to our proxy materials over the internet. On or about March 19, 2014, we are mailing to our stockholders of record on March 3, 2014 either (i) a copy of this proxy statement, the accompanying proxy card, our annual report and the Notice of Internet Availability of Proxy Materials (the "Notice"), or (ii) the Notice only. The Notice and this proxy statement summarize the information you need to know to vote by proxy or in person at the annual meeting. You do not need to attend the annual meeting in person in order to vote.

Q: *When was the Notice mailed?*

A: The Notice was mailed to stockholders on March 19, 2014.

Q: *Who is entitled to vote?*

A: All common stockholders of record as of the close of business on March 3, 2014, the record date, are entitled to vote at the annual meeting.

Q: *What is the quorum for the meeting?*

A: A quorum at the annual meeting will consist of the presence, in person or by proxy, of stockholders entitled to cast a majority of all the votes entitled to be cast. No business may be conducted at the meeting if a quorum is not present. As of the record date, 22,692,319 shares of our common stock were issued and outstanding. If less than a majority of outstanding shares entitled to vote are represented at the annual meeting, the chairman of the meeting may adjourn the annual meeting to another date not more than 120 days after the original record date of March 3, 2014. Notice need not be given of the new date if announced at the meeting before an adjournment is taken.

Q: *How many votes do I have?*

A: You are entitled to one vote for each whole share of common stock you held as of the record date. Our stockholders do not have the right to cumulate their votes for directors.

Q: *What is the difference between holding shares as a stockholder of record and as a beneficial owner?*

A:

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If your shares are registered in your name with our transfer agent, Computershare Trust Company N.A., you are the "stockholder of record" of those shares.

If your shares are held in a stock brokerage account or by a bank or other holder of record, you are considered the "beneficial owner" of those shares. The Notice and proxy statement and any

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accompanying documents have been forwarded to you by your broker, bank or other holder of record. As the beneficial owner, you have the right to direct your broker, bank or other holder of record how to vote your shares by using the voting instruction card your broker, bank or other holder of record provides you or by following their instructions for voting by telephone or on the internet.

Q:

How do I vote?

A:

Whether or not you plan to attend the annual meeting, we urge you to authorize your proxy to vote your shares over the internet as described in the Notice. Alternatively, if you received a paper copy of the proxy card by mail, please complete, date, sign and promptly return the proxy card in the self-addressed stamped envelope provided. You also may authorize your proxy to vote your shares by telephone as described in your proxy card. Authorizing your proxy over the internet, by mailing a proxy card or by telephone, will not limit your right to attend the annual meeting and vote your shares in person. Your proxy (one of the individuals named in your proxy card) will vote your shares per your instructions.

Q:

How do I vote my shares that are held by my broker, bank or other holder of record?

A:

If you have shares held by a broker, bank or other holder of record, you may instruct your broker to vote your shares by following the instructions that the broker provides to you. Most brokers, banks and other holders of record allow you to submit voting instructions by mail, telephone and on the internet.

Q:

What am I voting on?

A:

You will be voting on:

Proposal 1: the election of nine directors, each to hold office until our 2015 annual meeting of stockholders and until his or her successor has been elected and qualifies;

Proposal 2: the approval of the CyrusOne Inc. 2014 Employee Stock Purchase Plan;

Proposal 3: the approval of the material terms of the performance goals under the CyrusOne Inc. 2012 Long Term Incentive Plan for purposes of Internal Revenue Code Section 162(m);

Proposal 4: the approval of the material terms of the performance goals under the CyrusOne Inc. 2013 Short Term Incentive Plan for purposes of Internal Revenue Code Section 162(m); and

Proposal 5: the ratification of the appointment of Deloitte & Touche LLP ("Deloitte") to act as our independent registered public accounting firm for year ending December 31, 2014.

In addition, you will be voting on such other business as may properly come before the annual meeting, including any adjournments or postponements thereof.

and our 2013 Short Term Incentive Plan. Accordingly, it is particularly important that beneficial owners instruct their broker, bank or other nominee how they wish to vote their shares.

Q:

Will there be any other items of business on the agenda?

A:

As of the date of this Proxy Notice, the Board of Directors does not know of any other matters that may be brought before the annual meeting nor does it have reason to believe that proxy holders will have to vote for substitute or alternate nominees for election to the Board of Directors. If any other matter should come before the annual meeting or any nominee is unable to serve or declines to do so, the persons named in the enclosed proxy will have discretionary authority to vote all proxies with respect to such matters in accordance with their discretion.

Q:

What happens if I submit my proxy without providing voting instructions on all proposals?

A:

Proxies properly submitted via the internet, mail or telephone will be voted at the annual meeting in accordance with your directions. If the properly-submitted proxy does not provide voting instructions on a proposal, **the proxy will be voted as follows:**

to elect (FOR) each of the director nominees listed in "Proposal 1 Election of Directors";

in favor of (FOR) "Proposal 2 Approval of 2014 Employee Stock Purchase Plan";

in favor of (FOR) "Proposal 3 Approval of the Material Terms of the Performance Goals under the 2012 Long Term Incentive Plan";

in favor of (FOR) "Proposal 4 Approval of the Material Terms of the Performance Goals under the 2013 Short Term Incentive Plan"; and

in favor of (FOR) "Proposal 5 Ratification of Appointment of Independent Registered Public Accounting Firm."

Q:

Will anyone contact me regarding this vote?

A:

We have arranged for Georgeson and Company to assist us in the solicitation of proxies. Proxies may be solicited by our solicitation agent, directors, officers or employees personally or by telephone. Solicitations may be made by mail, telephone, facsimile, e-mail or personal interviews.

Q:

Who has paid for this proxy solicitation?

A:

We have paid the entire expense of preparing, printing and mailing the Notice and, to the extent requested by our stockholders, the proxy statement and any additional materials furnished to stockholders. We will bear all expenses associated with our solicitation agent, and any solicitation activities of our directors, officers or employees will be without additional compensation for such activities. We have hired Georgeson to solicit proxies for \$3,500 plus expenses, and Computershare to assist in proxy matters and act as our inspector of elections, for \$3,000 plus expenses. We also will request persons, firms and corporations holding shares in their names or in the names of their nominees, which are beneficially owned by others, to send appropriate solicitation materials to such beneficial owners. We will reimburse such holders for their reasonable expenses.

Q:

May stockholders ask questions at the annual meeting?

A:

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Yes. There will be time allotted at the end of the meeting when our representatives will answer appropriate questions from the floor.

Q:

How many copies should I receive if I share an address with another stockholder?

The SEC has adopted rules that permit companies and intermediaries, such as a broker, bank or other nominee, to implement a delivery procedure called "householding." Under this procedure, multiple stockholders who reside at the same address may receive a single copy of our proxy materials, unless the affected stockholder has provided us with contrary instructions. This procedure provides extra convenience for stockholders and cost savings for companies.

Our Company and some brokers, banks or other nominees may be householding our proxy materials. A single Notice and, if applicable, a single set of our proxy materials, including the proxy statement, the accompanying proxy card, our annual report and the Notice, will be delivered to multiple stockholders sharing an address unless contrary instructions have been received from the affected stockholders. Once you have received notice from your broker, bank or other nominee that it will be householding communications to your address, householding will continue until you are notified otherwise or until you revoke your consent. If you did not respond that you did not want to participate in householding, you were deemed to have consented to the process. Stockholders of record may revoke their consent at any time by contacting Thomas W. Bosse, Vice President, General Counsel and Corporate Secretary, either by calling toll-free (855) 564-3198 or by writing to 1649 W. Frankford Rd., Carrollton, TX 75007, Attention: Corporate Secretary. If you hold your shares through a broker, bank or other nominee holder of record, you should contact your holder of record to revoke your consent.

Upon written or oral request, we will promptly deliver a separate copy of the Notice and, if applicable, a single set of our proxy materials, to any stockholder at a shared address to which a single copy of any of those documents was delivered. To receive a separate copy of the Notice and, if applicable, our proxy materials, you may either call (855) 564-3198 or send a written request to CyrusOne Inc., 1649 West Frankford Road, Carrollton, Texas 75007, Attention: Thomas W. Bosse, Corporate Secretary. In addition, if you are receiving multiple copies of the Notice and, if applicable, our proxy materials, you can request householding by contacting our corporate secretary in the same manner.

Q:

What does it mean if I receive more than one Notice?

A:

It means that you have multiple accounts with our transfer agent or with brokers. Please submit all of your proxies over the internet, following the instructions provided in the Notice, by mail or by telephone to ensure that all of your shares are voted.

Q:

Can I change my vote after I have voted?

A:

Yes. The proper submission of proxies over the internet, by mail or by telephone does not preclude a stockholder from voting in person at the meeting. A stockholder may revoke a proxy at any time prior to its exercise by filing with our corporate secretary a duly executed revocation of proxy, by properly submitting, either by internet, mail or telephone, a proxy to our corporate secretary bearing a later date or by appearing at the meeting and voting in person. Attendance at the meeting will not by itself constitute revocation of a proxy.

Q:

Can I find additional information on the Company's website?

A:

Yes. Our website is located at www.cyrusone.com. Although the information contained on our website is not part of this proxy statement, you can view additional information on the website, such as our corporate governance guidelines, our code of business conduct and ethics, charters of our Board committees and reports that we file with the SEC. A copy of our corporate governance guidelines, our code of business conduct and ethics and each of the charters of our Board committees may be obtained free of charge by writing to CyrusOne Inc., 1649 West Frankford Road, Carrollton, Texas 75007, Attention: Thomas W. Bosse, Corporate Secretary.

PROPOSAL 1: ELECTION OF DIRECTORS

Our Board of Directors currently consists of eight members. The Board of Directors has approved an increase in the size of the Board of Directors to nine members, effective at the annual meeting. Accordingly, at the 2014 annual meeting, pursuant to our charter and bylaws, nine directors will be elected to serve until the 2015 annual meeting and until their successors are duly elected and qualified.

The Board of Directors, upon the recommendation of the Nominating and Corporate Governance Committee, has nominated the following current directors to serve as directors: Gary J. Wojtaszek, John F. Cassidy, William E. Sullivan, T. Tod Nielsen, Alex Shumate, Melissa E. Hathaway and David H. Ferdman. Roger T. Staubach, a current director, has decided to retire from our Board of Directors at the conclusion of his term and accordingly, has not been nominated for re-election at the annual meeting. In addition, on recommendation of the Nominating and Corporate Governance Committee, the Board of Directors has also nominated the following two individuals who are not currently serving on the Board to serve as directors: Lynn A. Wentworth (who was designated to the Committee by our stockholder Cincinnati Bell Inc. ("CBI")) and John W. Gamble. The Board of Directors anticipates that each of these nine nominees (the "Nominees") will serve, if elected, as a director. However, if any Nominee is unable to serve or declines to do so, the proxies will be voted as the Board of Directors may recommend, including for another person or persons as recommended by the Board of Directors.

The Board of Directors recommends a vote FOR each Nominee.

The Board of Directors

Nominees for Election to Term Expiring 2015

The biographical descriptions below set forth certain information with respect to each Nominee for election as a director at the annual meeting. The Board has identified specific attributes of each Nominee that the Board has determined qualify that person for service on the Board.

Gary J. Wojtaszek, Age 47

Director Since: July 2012

Board Committees: None

Qualifications: Mr. Wojtaszek is our Chief Executive Officer and brings to our Board of Directors critical knowledge and understanding of our data center colocation business coupled with an in-depth understanding of the Company's capital structure.

Gary J. Wojtaszek is our President and Chief Executive Officer and has served as a member of our Board of Directors since July 2012. Mr. Wojtaszek was appointed to the Board of Directors of CBI on July 29, 2011 and was named President of CyrusOne effective August 5, 2011. Upon consummation of our initial public offering, Mr. Wojtaszek resigned as a member of the board of directors of CBI. Prior to becoming the President of CyrusOne in August 2011, Mr. Wojtaszek served as Chief Financial Officer of CBI beginning July 2008 and as Senior Vice President, Treasurer and Chief Accounting Officer for the Laureate Education Corporation in Baltimore, Maryland from 2006 to 2008. Prior to that, Mr. Wojtaszek worked from 2001 to 2008 at Agere Systems, the semiconductor and optical electronics communications division of Lucent Technologies, which was subsequently spun-off through an initial public offering. While at Agere Systems, Mr. Wojtaszek worked in a number of finance positions, ultimately serving as the Vice President of Corporate Finance, overseeing all Controllershship, Tax and Treasury functions. Mr. Wojtaszek started his career in General Motors Company's New York treasury group and joined Delphi Automotive Systems as the regional European treasurer in connection with the initial public offering and spin-off of Delphi Automotive Systems from General Motors.

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John F. Cassidy, Age 59

Director Since: July 2012

Board Committees: None; Chairman

Qualifications: Mr. Cassidy brings to our Board of Directors critical knowledge and understanding of the products and services offered by CyrusOne, as well as a thorough understanding of the technology industries in which it operates.

William E. Sullivan, Age 59

Independent Director Since: January 2013

Board Committees: Audit Committee (Chair) and Compensation Committee; Lead Independent Director

Qualifications: Mr. Sullivan brings to our Board of Directors a comprehensive understanding of the commercial real estate industry coupled with extensive real estate investment trust ("REIT") management experience.

John F. Cassidy has served as the Chairman of our Board of Directors since January 2013. Mr. Cassidy served as the President and Chief Executive Officer of CBI from July 2003 to January 2013, where he was instrumental in the design and implementation of CBI's entry into the data center co-location business, and the acquisition of Cyrus Networks in 2010. Effective January 31, 2013, Mr. Cassidy retired as President and Chief Executive Officer of CBI and was appointed Vice Chairman of CBI's board of directors, on which he had served since 2002. Effective December 31, 2013, Mr. Cassidy retired from CBI's board of directors. Mr. Cassidy has held various other positions within CBI, including President and Chief Operating Officer of Cincinnati Bell Telephone Company and President of Cincinnati Bell Wireless Company.

William E. Sullivan has served as a member of our Board of Directors since January 2013. Mr. Sullivan is our lead independent director and the chair of our Audit Committee. From March 2007 to May 2012, Mr. Sullivan served as the Chief Financial Officer of ProLogis Inc. ("ProLogis"), a REIT operating as an owner, manager and developer of distribution facilities. Prior to joining ProLogis, Mr. Sullivan was the founder and President of Greenwood Advisors, Inc., a private financial consulting and advisory firm, from 2005 to 2007. Prior to that, Mr. Sullivan served as the Chairman (2001 to 2007) and Chief Executive Officer (2001 to 2005) of SiteStuff, Inc., a procurement solutions company specializing in real estate property and facility management. Mr. Sullivan worked for Jones Lang LaSalle Incorporated ("Jones Lang LaSalle"), and its predecessor, LaSalle Partners, in a variety of positions from 1984 to 2001, including as Chief Financial Officer from 1997 to 2001 and as a member of the Board of Directors from 1997 to 1999. Prior to joining Jones Lang LaSalle, he was a member of the Communications Lending Group of the First National Bank of Chicago and also served as a member of the tax division of Ernst & Ernst LLP, a predecessor to Ernst & Young LLP ("Ernst & Young"). Mr. Sullivan has also served as a director and audit committee chairman of Jones Lang LaSalle Income Property Trust, Inc. since September 2012, and as a director and audit committee chairman of Club Corp., since August 2013.

T. Tod Nielsen, Age 48

Independent Director Since: January 2013

Board Committees: Nominating and Corporate Governance Committee

Qualifications: Mr. Nielsen brings to our Board of Directors a strong technical background in software development, coupled with extensive management experience and knowledge of the information technology market.

Alex Shumate, Age 63

Independent Director Since: January 2013

Board Committees: Audit Committee and Compensation Committee (Chair)

Qualifications: Mr. Shumate brings to our Board of Directors demonstrated managerial ability and a thorough understanding of the principles of good corporate governance.

T. Tod Nielsen has served as a member of our Board of Directors since January 2013. Since June 2013, Mr. Nielsen has been the Chief Executive Officer of Heroku, a cloud application development company. Prior to that, Mr. Nielsen was Co-President, Applications Platform of VMware, Inc. ("VMware"). Mr. Nielsen served as VMware's Chief Operating Officer from January 2009 to January 2011. Prior to that, he served as President and Chief Executive Officer of Borland Software Corporation from November 2005 to December 2008. From June 2005 to November 2005, Mr. Nielsen served as Senior Vice President, Marketing and Global Sales Support for Oracle Corporation, an enterprise software company. From August 2001 to August 2004, he served in various positions at BEA Systems, Inc., a provider of application infrastructure software, including Chief Marketing Officer and Executive Vice President, Engineering. Mr. Nielsen also spent 12 years with Microsoft Corporation ("Microsoft") in various roles, including General Manager of Database and Developer Tools, Vice President of Developer Tools, and at the time of his departure, Vice President of Microsoft's platform group. Mr. Nielsen is a current director of Club Holdings LLC and former director of MyEdu Corp.

Alex Shumate has served as a member of our Board of Directors since January 2013. Mr. Shumate is also a member of our Audit Committee and serves as the chair of our Compensation Committee. Mr. Shumate is currently the Managing Partner, North America, of Squire Sanders (US) LLP, an international law firm ("Squire Sanders"), since 2009. Prior to that, he served as the Managing Partner of the Columbus, Ohio office of Squire Sanders since 1991. He is a current director of The J.M. Smucker Company. He also served as a director of the Wm. Wrigley Jr. Company from 1998 until its acquisition in 2008, as well as Nationwide Financial Services from 2002 until its acquisition in 2009. He served as a director of CBI from 2005 to January 2013. Mr. Shumate resigned as a member of CBI's Board of Directors upon consummation of our initial public offering.

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Melissa E. Hathaway, Age 45

Independent Director Since: January 2013

Board Committees: Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee (Chair)

Qualifications: Ms. Hathaway brings to our Board of Directors more than 20 years of high-level public and private-sector experience regarding cyber security matters.

Melissa E. Hathaway has served as a member of our Board of Directors since January 2013. Ms. Hathaway is also a member of our Audit Committee and our Compensation Committee and serves as the chair of our Nominating and Corporate Governance Committee. Ms. Hathaway has served as President of Hathaway Global Strategies, LLC and a Senior Advisor at Harvard Kennedy School's Belfer Center since August 2009. Ms. Hathaway also served on the Board of Directors of Terremark Worldwide from February 2010 until its acquisition by Verizon Communications Inc. in March 2011. Previously, from February 2009 to August 2009, she led the development of the Cyberspace Policy Review in her role as the Acting Senior Director for Cyberspace in the National Security Council of President Barack Obama's administration. Prior to that, from March 2007 to February 2009, Ms. Hathaway served as Cyber Coordination Executive and Director of the Joint Interagency Cyber Task Force in the Office of the Director of National Intelligence under President George W. Bush. Before working in the Obama and Bush administrations, from June 1993 to February 2007, Ms. Hathaway was a Principal with Booz Allen & Hamilton, Inc. ("Booz Allen"), where she led the information operations and long-range strategy and policy support business units. Her efforts at Booz Allen supported key offices within the Department of Defense and the intelligence community, including the U.S. Southern Command, the U.S. Pacific Command, the Office of the Secretary of Defense for Net Assessment, the Central Intelligence Agency, the Defense Intelligence Agency and the Office of the Director of National Intelligence.

David H. Ferdman, Age 46

Director Since: January 2013

Board Committees: None

Qualifications: Mr. Ferdman brings to our Board of Directors a comprehensive understanding of our business coupled with extensive experience in the data center industry.

David H. Ferdman has served as a member of our Board of Directors since January 2013. Mr. Ferdman was the founder of Cyrus Networks, where he served as President and Chief Executive Officer from 2000 until June 2010. Mr. Ferdman served as the President of Cyrus Networks until August 2011 and served as the Chief Strategy Officer of CyrusOne, LLC ("Cyrus Networks") until January 2013. Upon consummation of our initial public offering, Mr. Ferdman resigned from his employment with the Company. Prior to founding Cyrus Networks, Mr. Ferdman was the Chief Operating Officer and co-founder of UWI Association Programs (d/b/a Eclipse Telecommunications), a facilities-based telecommunications service provider ("UWI"). As Chief Operating Officer of UWI, Mr. Ferdman was instrumental in the company's rapid growth, which culminated in its acquisition by IXC Communications (now part of Level 3 Communications Inc.) in 1998. Mr. Ferdman is also a director of Xand Holdings, Serendipity Wire, LLC, Circuit of the Americas, and Quality Uptime Services.

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Lynn A. Wentworth, Age 55

Qualifications: Ms. Wentworth brings to our Board of Directors extensive knowledge regarding complex financial and accounting matters affecting large corporations in the telecommunications industry.

John W. Gamble, Jr., Age 51

Qualifications: Mr. Gamble brings to our Board of Directors extensive knowledge regarding financial management, and the information technology market.

Lynn A. Wentworth is the former Senior Vice President, Chief Financial Officer and Treasurer of BlueLinx Holdings Inc. (a building products distributor) from 2007 to 2008. Prior to joining BlueLinx, she was, most recently, Vice President and Chief Financial Officer for BellSouth Corporation's Communications Group and held various other positions at BellSouth from 1985 to 2007. She is a Certified Public Accountant licensed in the state of Georgia. She is a director and chair of the audit committees of Graphic Packaging Holding Company and CBI, and serves on the executive and compensation committees for CBI.

John W. Gamble Jr. has been executive vice president and chief financial officer for Lexmark International, Inc. since 2005. In addition to corporate finance functions, he is responsible for Lexmark's investor relations, information technology, strategy and development, and internal audit and security functions. Prior to joining Lexmark, he was executive vice president and chief financial officer of Agere Systems, Inc. Mr. Gamble also served in finance leadership roles with AlliedSignal, Inc., and then Honeywell International, Inc., following the merger of the two entities. Earlier, Mr. Gamble served in a variety of finance capacities with General Motors. He began his career as an electrical engineer with Bethlehem Steel Corporation.

Biographical Information Regarding Executive Officers Who Are Not Directors

Kimberly H. Sheehy, Age 48

Chief Financial Officer and Administrative Officer

Kimberly H. Sheehy has served as our Chief Financial and Administrative Officer since 2011. Prior to that, she held various roles between 1996 and 2011 at CBI, including Treasurer and Vice President of Investor Relations from March 2011 through November 2011, Vice President of Finance and Treasurer from 2007 to 2011, and prior to 2007 she held positions including Vice President of Financial Planning and Analysis, and Managing Director of Corporate Tax. Prior to joining CBI, Ms. Sheehy held accounting and tax positions at Ernst & Young.

Patricia M. McBratney, Age 39

Vice President and Controller

Patricia M. McBratney has served as our Vice President and Controller since January 2013. Prior to joining CyrusOne, Ms. McBratney held various accounting positions at Deloitte from 1996 to 2013. Ms. McBratney is a Certified Public Accountant with prior experience in both the consumer products and real estate industries. Ms. McBratney has also been involved in various initial public offerings, spin-offs, acquisitions, reverse acquisitions, and debt and equity offerings while employed by Deloitte.

Thomas W. Bosse, Age 52
Vice President, General Counsel and Secretary

Thomas W. Bosse has served as our Vice President, General Counsel and Secretary since March 2013. Prior to joining CyrusOne, beginning in 2003, he was a principal in The Law Offices of Thomas W. Bosse, PLLC, where he represented numerous companies in the communications and technology sectors, including CyrusOne, in financing, corporate governance, real estate, mergers and acquisitions and commercial transactions. From 1999 to 2003, he was Associate General Counsel for Broadwing Inc. Mr. Bosse is a graduate of the University of Notre Dame School of Law.

Kevin L. Timmons, Age 49
Chief Technology Officer

Kevin L. Timmons has served as our Chief Technology Officer since October 2011. Prior to joining CyrusOne, he led Microsoft's global data center team as General Manager, Data Center Services beginning in 2009. Prior to that, Mr. Timmons held several positions between 1999 and 2009 within the operations team at Yahoo! Inc. ("Yahoo!"). Mr. Timmons originally joined Yahoo! via the GeoCities acquisition in 1999 as Director of Operations. He was then promoted to Senior Director in 2000, and assumed the role of Vice President, Operations in 2006.

Venkatesh S. Durvasula, Age 47
Chief Commercial Officer

Venkatesh S. Durvasula has served as our Chief Commercial Officer, overseeing strategy, marketing and sales since October 2012. Mr. Durvasula joined CyrusOne in October 2012. Prior to joining CyrusOne, Mr. Durvasula served as the Chief Marketing and Business Officer of Quality Technology Services ("QTS") from March 2010 through April 2012. Prior to QTS, he was a co-founder and Chief Operating Officer of NYC-Connect, a privately-held interconnection business that was sold to Digital Realty Trust, Inc. and Telx in 2007. Following that sale, Mr. Durvasula served as the Chief Marketing Officer at Telx until August 2009. Prior to NYC-Connect, Mr. Durvasula served as Vice President of Sales at AboveNet, Inc.

Corporate Governance Profile

We have structured our corporate governance in a manner we believe closely aligns our interests with those of our stockholders. Notable features of our corporate governance structure include the following:

the Board of Directors is not classified; instead, each of our directors is subject to re-election annually;

the Board of Directors has determined that a majority of the eight persons who currently serve on the Board of Directors are independent within the meaning of the NASDAQ listing standards, and at least one of the new nominees is independent;

each of the members of the Audit Committee and the Compensation Committee meet the heightened independence standards within the meaning of the NASDAQ listing standards for service on those committees;

at least one of our Audit Committee members qualifies as an "Audit Committee financial expert" as defined by the SEC; and

we have opted out of the control share acquisition statute of the Maryland General Corporation Law.

Our directors stay informed about our business by attending meetings of the Board of Directors and its standing committees and through supplemental reports and communications. Our independent directors meet regularly in executive sessions without the presence of our corporate officers or non-independent directors.

Board of Directors

Our business and affairs are managed under the direction of the Board of Directors. A majority of the members of the Board of Directors is "independent," as determined by the Board of Directors, consistent with the rules of the NASDAQ.

Board Leadership

The Board recognizes that one of its key responsibilities is to evaluate and determine its optimal leadership structure so as to provide independent oversight of management. The Board understands that there is no single, generally accepted approach to providing Board leadership and the right Board leadership structure may vary as circumstances warrant. Consistent with this understanding, the Board of Directors considers its leadership structure on an annual basis.

The Board of Directors may designate a chairman of the Board, who may or may not be an executive chairman. Since January 2013, John F. Cassidy has served as our chairman of the Board of Directors. Based on its most recent review of our leadership structure and the needs of the Company, the Board continues to believe that having Mr. Cassidy serving in this position is optimal for us because it provides our Company with strong, effective and consistent leadership. Furthermore, our corporate governance guidelines provide that it is the Board's general policy that the positions of Chairman of the Board and Chief Executive Officer should be separate persons as an aid to the Board's oversight of management. The corporate governance guidelines also require a lead independent director, which since January 2013 has been William E. Sullivan.

In considering its leadership structure, the Board has taken a number of factors into account. The Board, which consists of a majority of independent directors, exercises a strong, independent oversight function. This oversight function is enhanced by the Audit, Compensation and Nominating and Corporate Governance Committees being comprised entirely of independent directors. A number of Board and committee processes and procedures, including regular executive sessions of independent directors and a regular review of our executive officers' performance, provide substantial independent oversight of our management's performance. Finally, under our bylaws and corporate governance guidelines, the Board has the ability to change its structure, should that be deemed appropriate and in the best interest of our Company. The Board believes that these factors provide the appropriate balance between the authority of those who oversee our Company and those who manage it on a day-to-day basis.

The chairman of the Board presides at all meetings of the Board of Directors, unless otherwise prescribed. The chairman performs such other duties, and exercises such powers, as from time to time shall be prescribed in our bylaws or by the Board of Directors.

Director Independence

In accordance with corporate governance listing standards of the NASDAQ and our corporate governance guidelines, the Board, upon the recommendation of its Nominating and Corporate Governance Committee, which is comprised solely of independent members, affirmatively evaluates and determines the independence of each director and each nominee for election. Based on an analysis of information supplied by the directors, and other information including the matters set forth in this proxy document under the caption "Certain Relationships and Related Transactions", the Board evaluates whether any director has any material relationship with CyrusOne either directly or as a partner, shareholder or officer of an organization that has a relationship with CyrusOne that might cause a conflict of interest in the performance of a director's duties.

Based on these standards, the Board, including a majority of the current independent members, determined that each of the following persons who is serving as a non-employee director has no relationship with CyrusOne, except as a director and stockholder, and is independent: Melissa E. Hathaway, William E. Sullivan, Roger T. Staubach, T. Tod Nielsen and Alex Shumate. In addition, the Board determined that John W. Gamble, who has been nominated for election to the Board of Directors, is independent.

The Board determined that Gary J. Wojtaszek is not independent because he is the President and Chief Executive Officer of CyrusOne, and John F. Cassidy is not independent because he is the former President and Chief Executive Officer of the Company's former parent, CBI. In addition, the Board determined that David H. Ferdman is not independent, as he founded Cyrus Networks and has served as President and Chief Executive Officer of the Company, and that Lynn A. Wentworth is not independent, as she serves on the board of directors of CBI, with which CyrusOne has a number of commercial and ownership relationships.

Board Meetings

In 2013, the Board of Directors held 12 meetings, the Audit Committee held 8 meetings, the Compensation Committee held 7 meetings and the Nominating and Corporate Governance Committee held 4 meetings. Each director, other than Roger T. Staubach, attended over 75% of the Board meetings and each director's respective committee meetings in 2013.

Although we do not have a policy requiring directors' attendance at annual meetings of stockholders, they are expected to do so. The 2014 annual meeting of stockholders will be our first annual meeting of stockholders as a public company.

The Board of Directors regularly meets in executive session, without management present. Generally, these executive sessions follow after each quarterly meeting of the Board and each committee. In addition, the independent directors of the Board and the committees meet regularly in independent sessions without management or non-independent directors present. William E. Sullivan, our lead independent director, presides over such independent, non-management sessions of the Board. In 2013, the independent directors met at least twice in such independent sessions. As deemed necessary, directors discuss matters informally between board and committee meetings.

Board Committees

Under our corporate governance guidelines, the composition of each of our committees, including the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee must comply with the rules of the SEC and listing requirements and other rules and regulations of the NASDAQ, as amended or modified from time to time. Our corporate governance guidelines define "independent director" by reference to the rules of the SEC and rules, regulations and listing qualifications of the NASDAQ, which generally deem a director to be independent if the

director has no relationship to us that may interfere with the exercise of the director's independence from management and our Company, and which further impose heightened requirements of independence for members of the Audit and Compensation committees. Our Board of Directors may from time to time establish other committees to facilitate the management of our Company. The operating partnership agreement of our operating partnership (the "Partnership Agreement") currently requires that, so long as CBI has the right to nominate at least one director, at least one of its nominees will serve on each committee (if the nominee is qualified as independent under the applicable rules, regulations and listing qualifications of the NASDAQ) other than any committee whose purpose is to evaluate or negotiate any transaction with CBI.

Audit Committee. The Audit Committee helps ensure the integrity of our financial statements, the qualifications and independence of our independent auditor and the performance of our internal audit function and independent auditors. The Audit Committee selects, assists and meets with the independent auditor, oversees each annual audit and quarterly review, evaluates the performance of our internal audit controls and prepares the report that federal securities laws require be included in our annual proxy statement. Mr. Sullivan is the chair of the Audit Committee and has been determined to be an audit committee financial expert by the Board. Mr. Shumate and Ms. Hathaway also serve as members of our Audit Committee. Each member of the Audit Committee has been determined to be independent and qualified in accordance with the NASDAQ standards applicable to service on audit committees. The Audit Committee operates pursuant to a written charter.

Compensation Committee. The Compensation Committee reviews and makes recommendations to our Board of Directors regarding the compensation and benefits of our executive officers, administers and makes recommendations to our Board of Directors regarding our compensation and stock incentive plans, and produces an annual report on executive compensation for inclusion in our proxy statement. Mr. Shumate is the chair of the Compensation Committee. Mr. Sullivan and Ms. Hathaway also serve as members of our Compensation Committee. Each member of the Compensation Committee has been determined to be independent in accordance with the NASDAQ standards applicable to service on compensation committees. The Compensation Committee operates pursuant to a written charter. In 2013, the Compensation Committee engaged Christenson Advisors to assist it in the performance of its duties and to make recommendations to the Compensation Committee with respect to director and executive compensation. In engaging the compensation consultant, the Compensation Committee considered the consultant's independence and actual or potential conflicts of interest. In connection with this review, the Compensation Committee solicited information regarding work for the Company, fees paid, relationships with members of the Board or management, ownership of Company stock and other information. The Compensation Committee was not aware of any conflicts of interest or other matters that affected the consultant's independence.

Nominating and Corporate Governance Committee. The Nominating and Corporate Governance Committee develops and recommends to our Board of Directors a set of corporate governance guidelines, a code of business conduct and ethics and related Company policies and periodically reviews and recommends updates and changes to such guidelines, code and policies to the Board of Directors, monitors our compliance with corporate governance requirements of state and federal law and the rules and regulations of the NASDAQ, establishes criteria for prospective members of our Board of Directors and conducts candidate searches and interviews. Ms. Hathaway is the chair of the Nominating and Corporate Governance Committee. Messrs. Nielsen and Staubach also serve as members of our Nominating and Corporate Governance Committee. Each of the Committee members has been determined to be independent in accordance with the applicable NASDAQ listing standards. The Nominating and Corporate Governance Committee operates pursuant to a written charter.

Role of the Board in Risk Oversight

One of the key functions of the Board of Directors is informed oversight of our risk management process. The Board of Directors administers this oversight function directly, with support from the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee, each of which addresses risks specific to their respective areas of oversight. In particular, among other things, the Audit Committee has the responsibility to consider and discuss our major financial risk exposures and the steps our management has taken to monitor and control these exposures, including guidelines and policies to govern the process by which risk assessment and management is undertaken. The Audit Committee also monitors compliance with legal and regulatory requirements, in addition to oversight of the performance of our internal audit function. The Audit Committee also monitors compliance with the Company's policy on related party transactions, and our executives' compliance with the Company's Code of Conduct and Ethics. The Compensation Committee assesses and monitors whether any of our compensation policies and programs has the potential to encourage excessive risk-taking. The Nominating and Corporate Governance Committee monitors the effectiveness of our corporate governance guidelines.

Nomination of Directors

Before each annual meeting of stockholders, the Nominating and Corporate Governance Committee considers the nomination of all directors whose terms expire at the next annual meeting of stockholders, and also considers new candidates whenever there is a vacancy on the Board or whenever a vacancy is anticipated due to a change in the size or composition of the Board, a retirement of a director or for any other reasons. In addition to considering incumbent directors, the Nominating and Corporate Governance Committee may identify director candidates based on recommendations from any qualified individual or group, including, but not limited to, stockholders, the incumbent directors and members of management. The Committee may in the future engage the services of third-party search firms to assist in identifying or evaluating director candidates. No such firm was engaged in 2013.

The Nominating and Corporate Governance Committee evaluates annually the effectiveness of the Board as a whole, the committees, and of each individual director and identifies any areas in which the Board would be better served by adding new members with different skills, backgrounds or areas of experience. The Board of Directors considers director candidates based on a number of attributes including:

Established leadership reputation in his/her field;

Known for good business judgment;

Active in business;

Knowledge of business on a national/global basis;

Meets high ethical standards;

Commitment to regular Board/committee meeting attendance;

The candidate's familiarity with data center facilities and operations; and

Whether the candidate would contribute to the gender, racial and/or geographical diversity of the Board.

Candidates also are evaluated based on their understanding of our business and willingness to devote adequate time to carrying out their duties. The Nominating and Corporate Governance Committee also monitors the mix of skills, experience and background to assure that the Board has the necessary composition to effectively perform its oversight function. As noted immediately above,

diversity characteristics of a candidate are just one of several factors considered by the committee when evaluating director candidates. A candidate will neither be included nor excluded from consideration solely based on his or her diversity traits. The Nominating and Corporate Governance Committee conducts regular reviews of current directors in light of the considerations described above and their past contributions to the Board of Directors.

The Nominating and Corporate Governance Committee also takes into consideration the nominations submitted by CBI. Pursuant to the Partnership Agreement, CBI has the right to designate up to four nominees for this annual meeting. Pursuant to such right, CBI has designated Lynn A. Wentworth as its nominee, and further designated two incumbent directors, John F. Cassidy and Alex Shumate, to be CBI designated nominees for election to the Board of Directors.

The Nominating and Corporate Governance Committee will consider appropriate candidates for directors recommended by a stockholder of our Company. The Nominating and Corporate Governance Committee will evaluate director candidates submitted by our stockholders on the same basis as any other director candidates. We did not receive any nominations of directors by stockholders (other than CBI) for the 2014 annual meeting.

Recommendations for nominations should be addressed to CyrusOne Inc., 1649 West Frankford Road, Carrollton, Texas 75007, Attention: Thomas W. Bosse, Corporate Secretary, indicating the nominee's qualifications and other relevant biographical information and providing confirmation of the nominee's consent to serve as director, if elected. Stockholders may also nominate qualified candidates for the Board of Directors by complying with the advance notice and other requirements of our Bylaws regarding director nominations. These requirements are also described under the caption "Stockholder Proposals."

Compensation Committee Interlocks and Insider Participation

There are no Compensation Committee interlocks and none of our employees participate on the Compensation Committee.

Board Compensation for 2013

In 2013, each of our directors who is not an employee of our Company or our subsidiaries received the following as compensation for services as a director: an initial equity grant of restricted stock with a grant-date fair value of \$105,000 in connection with our initial public offering ("IPO"), a cash retainer of \$50,000 (except as specified below in the case of our lead independent director and our non-executive chair), and a grant of restricted stock with a grant-date fair value of \$100,000 for the director's initial 12 months of service. The equity awards granted to our directors were granted on January 24, 2013, pursuant to our 2012 Long Term Incentive Plan and vest in three equal installments, with the first installment vesting on May 15, 2014 and the second and third installments vesting on January 24, 2015 and January 24, 2016, respectively, subject to the director's continued service on our Board of Directors. Our lead independent director receives an annual cash retainer of \$75,000, and our non-executive chair receives an annual cash retainer of \$100,000. The director who serves as chair of the Audit Committee (Mr. Sullivan) receives an additional annual retainer of \$15,000, and the directors who serve as chairs of the Compensation Committee (Mr. Shumate) and the Nominating and Corporate Governance Committee (Ms. Hathaway) each receive an additional annual retainer of \$10,000. Directors who are employees of our Company or our subsidiaries do not receive compensation for their services as directors. We did not provide any per-meeting compensation to any of our directors.

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The following table summarizes the compensation that we paid to our non-management directors in 2013:

2013 Director Compensation Table

| Name | Fees Earned (\$) | Stock Awards \$(1) | All Other Compensation (\$) | Total (\$) |
|---------------------|---------------------|-----------------------|--------------------------------|------------|
| John F. Cassidy | 100,000 | 205,010 | | 305,010 |
| William E. Sullivan | 90,000 | 205,010 | | 295,010 |
| Roger T. Staubach | 50,000 | 205,010 | | 255,010 |
| T. Tod Nielsen | 50,000 | 205,010 | | 255,010 |
| Alex Shumate | 60,000 | 205,010 | | 265,010 |
| Melissa E. Hathaway | 60,000 | 205,010 | | 265,010 |
| David H. Ferdman | 50,000 | 921,139(2) | 797,658(3) | 1,768,797 |

(1)

Reflects the aggregate grant date fair value of the restricted stock awards granted on January 24, 2013, determined in accordance with Financial Accounting Standards Board ASC Topic 718 Stock Compensation (FASB ASC 718). The grant date fair value of the restricted stock awards was determined by reference to the closing price of the shares on the grant date and excludes the impact of estimated forfeitures. The assumptions used in the calculation of the grant date fair value are incorporated by reference to Note 16 to the financial statements in our annual report on Form 10-K filed with the Securities and Exchange Commission on March 3, 2014. As of December 31, 2013, our non-employee directors held the following aggregate number of stock options and shares of restricted stock:

| Name | Stock Options (#) | Stock Awards (#) |
|-------------|----------------------|---------------------|
| Mr. Cassidy | | 10,790 |