



Office DEPOT®

2016 SUSTAINABILITY REPORT

At Office Depot®, we support our customers in succeeding sustainably by providing products and solutions that are better for our environment, our community and our economy. As a supplier, we have an enormous opportunity to provide positive environmental and social impacts through our customers' actions as well as our own.

We measure our success as an organization not only through sales and profits, but also by our behavior as a corporate citizen. Drawing on our long history of sustainability results, we remain focused on our integrity, transparency and business ethics. We work diligently to decrease our environmental impact through efforts such as waste diversion, greener fleets and product life cycle solutions. We also support the economic development of the communities where we work and live through a comprehensive supplier diversity program as well as the many ground-breaking programs supported by the Office Depot Foundation.

This year, we estimate sales of sustainable products to be approximately 30 percent of overall North American sales. Combined synergies between Office Depot and OfficeMax® provided positive environmental impacts such as a decrease in overall energy output by over 15 percent from 2014, and we plan to continue our growth and achievements as a sustainable organization.

We look forward to what's ahead as we embark on this exciting, new phase to expand efforts that push for positive environmental and societal change through the initiatives of our sustainability program.

Sincerely,



Troy Rice

*Executive Vice President,
Chief Operating Officer*



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ABOUT THIS REPORT

This report covers the Office Depot, Inc. North American sustainability activities in the calendar year 2015, unless otherwise indicated. For questions and comments regarding this report, please contact corporate_sustainability@officedepot.com

ABOUT SUSTAINABILITY

THREE PILLARS OF SUSTAINABILITY

Office Depot® utilizes the triple-bottom-line approach to our sustainability program. This is a framework that incorporates three parts: social, environmental and economic. While the social and environmental aspects help us to capture our community impacts, avoid emissions and many other metrics, they ultimately impact our financial system by creating greater business value.



SUSTAINABILITY MATRIX

Our sustainability platform, which includes the Office Depot® GreenerOffice™ Program, has been in place since 2004. The platform is built on the triple-bottom-line approach to sustainability initiatives.

To include triple-bottom-line factors in the scope of our report, we are excited to share a new framework for the 2016 sustainability report. We have created our Corporate Sustainability Matrix, which serves as the basis and new direction for our data reporting. We strive for transparency in our sharing of metrics for our customers, our suppliers and ourselves. This matrix will form the basis for our organization’s sustainability scope and reporting in the future.

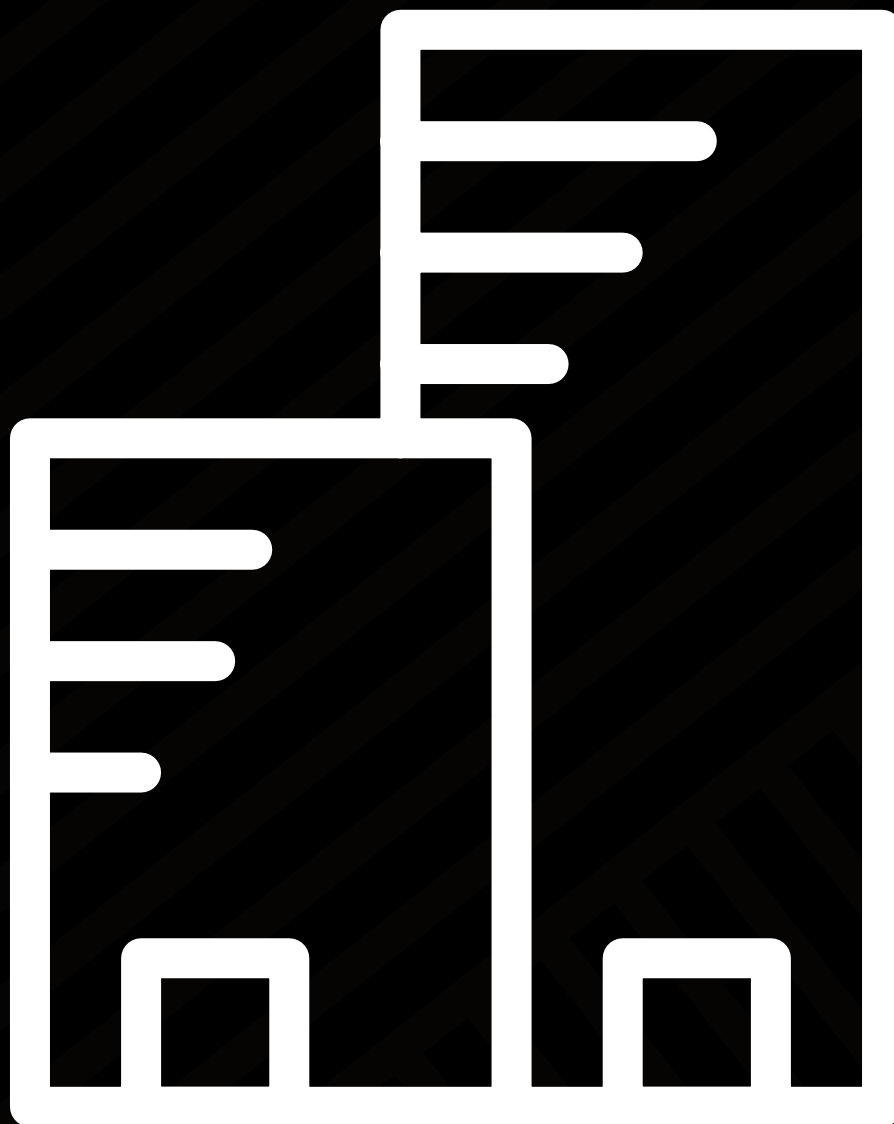
ECONOMIC SUSTAINABILITY	Sales	Spend	Gross Profit
ENVIRONMENTAL SUSTAINABILITY	Eco-Conscious Sales	Eco-Conscious Spend	Waste From Operations
	Recycled Products From Customers	Carbon Footprint From Transportation	Carbon Footprint From Facilities
SOCIAL SUSTAINABILITY	Socially Conscious Sales		Socially Conscious Spend
	Global Supplier Compliance		Philanthropy

MATERIALITY ANALYSIS

Office Depot® leveraged the below analysis and stakeholder feedback to create a framework that focuses on all material aspects of sustainability.

Grand & Toy’s Materiality Assessment done in 2014 revealed that stakeholders in Canada have a strong preference for our company to prioritize providing high quality, greener products and services that are optimally packaged and delivered on efficient vehicles.





ECONOMIC SUSTAINABILITY

OFFICE DEPOT® AT A GLANCE

Office Depot, Inc. is a leading global provider of products, services and solutions for every workplace — whether your workplace is an office, home, school or car.

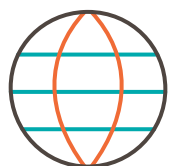
Every day we are helping customers, suppliers and ourselves succeed sustainably. We are a single source for everything customers need to be more productive, including the latest technology, core office supplies, print and document services, business services, facilities products, furniture and school essentials. Sale channels include retail stores, award-winning e-commerce sites and a dedicated business-to-business sales organization — all delivered through a global network of wholly owned operations, franchisees, licensees and alliance partners. The company operates under several banner brands including Office Depot, OfficeMax®, Grand & Toy and Viking.



\$14.5 BILLION
2015 Global Sales



49,000
Worldwide Associates



59
Countries with Customers



1,800
Retail Stores

2015 SALES BY DIVISION



■ 42% North America Retail Division
■ 39% North America Business Solutions Division
■ 19% International Division

EXCLUSIVE PRODUCT BRANDS

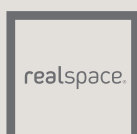
TUL

 FORAY™

HIGHMARK™

ATIVA™

brenton
STUDIO.




WORKPRO®



ENVIRONMENTAL SUSTAINABILITY



"Our sustainability program integrates our growth as a business with the commitment and values we hold for our employees, customers and community."

Molly Ray
Senior Manager,
Sustainability

WHY GREEN?

We created our GreenerOffice™ Program to support our efforts towards minimizing our impact on the environment. In addition, our program provides us with an opportunity to support our customers' strategies for environmental footprint minimization through greener purchasing. 2015 marked the 11th year of our program, and we continue to see environmental improvements in the products we offer, our retail and business operations and our transportation and distribution offerings.

As an organization that holds transformational strategy as one of our key pillars to growth, we have been able to realize cost savings through efficiencies in many areas of our operations such as energy use, water consumption and waste minimization.

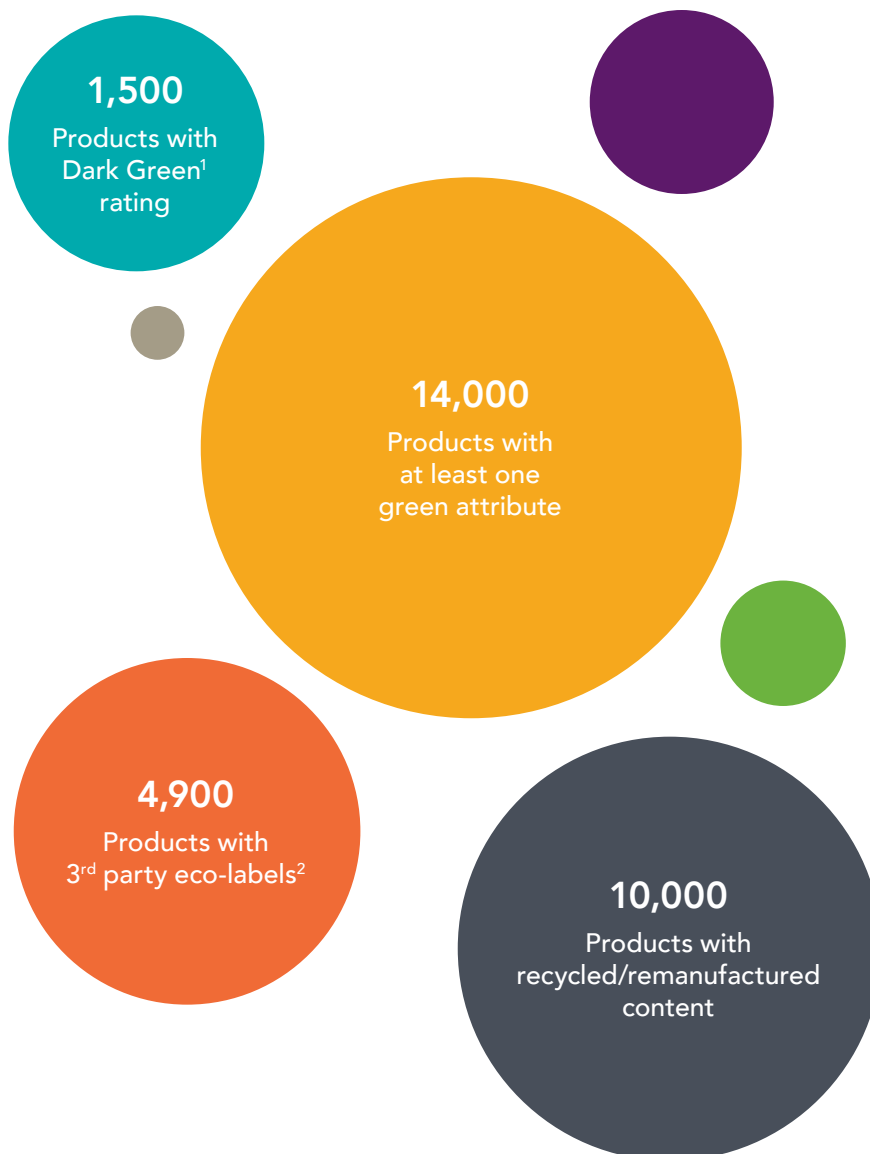
We believe that being eco-conscious or "green" as an organization is directly connected to our business strategy. It builds our relationships with our customers and helps to create new business opportunities. As our greener products currently account for 30 percent of our overall product sales, we will continue to grow our greener product assortment while evolving other aspects of our program, including innovative green reporting tools and customer delivery options.

Integrity and transparency are key components to our business operations. As such, we strive to ensure that we accurately disclose the environmental aspects of our business practices to customers and shareholders through our Corporate Sustainability Report.

GREENER PRODUCTS & SERVICES

A key success metric of our environmental program is “greener sales.” This single number captures how we are sourcing greener products, how well we are attracting customers who demand greener products and how well we are marketing these products to create demand. In 2015, we had \$3.5 billion in greener sales, which is approximately 30 percent of our overall sales in the U.S. and Canada.

OFFICE DEPOT® U.S. ECO-CONSCIOUS ASSORTMENT



“Analyzing and evaluating the business impacts of our own greener products and programs helps provide much-needed transparency to our internal and external stakeholders. There is a lot of value in informing others of our wins, solutions and challenges as a greener organization.”

Zulema Ledesma
Senior Consultant,
Sustainability

¹ For products with the highest level of one or more meaningful green attributes/ecolabels.

² Products that are certified by an independent third party that meet specific environmental criteria.

THE IMPACTS OF GREEN

This table explains the typical environmental impacts by category and identifies the benefits of going greener.

Product Category	Ink & Toner Cartridges	Lighting	Office Technology	Paper Products	Writing Instruments
TYPICAL ENVIRONMENTAL IMPACTS	<ul style="list-style-type: none"> Oil resources used for plastic shell Energy used to create new cartridges Waste created if not recovered 	<ul style="list-style-type: none"> Energy required during use Bulb contains mercury 	<ul style="list-style-type: none"> Energy needed during use Quantity and toxicity of materials to create e-waste if not recycled 	<ul style="list-style-type: none"> Forest fiber needed for virgin paper Energy/water used for pulp and paper production Waste created if not recovered 	<ul style="list-style-type: none"> Plastic and energy needed for shells Waste created if not refilled/recycled
POTENTIAL BENEFITS OF GOING GREENER	<ul style="list-style-type: none"> Save money and oil resources needed to create new cartridges 	<ul style="list-style-type: none"> Save money and energy while lowering your carbon footprint during use 	<ul style="list-style-type: none"> Save money and energy while lowering your carbon footprint during use; reduce the need for mining and use of toxic materials in components 	<ul style="list-style-type: none"> Save forest resources and reduce waste by using recycled materials Support responsible forestry 	<ul style="list-style-type: none"> Save money and resources needed for writing instrument shells

DEFINING SHADES OF GREEN

These definitions were developed with stakeholders' input for every product category.



LIGHT GREEN

For products with at least one meaningful green attribute/ecolabel






MID GREEN

For products with a high level of one or more meaningful green attributes/ecolabels



DARK GREEN

For products with the highest level of one or more meaningful green attributes/ecolabels

Product Category	Ink & Toner Cartridges	Lighting	Office Technology	Paper Products	Writing Instruments
NOT GREEN	<ul style="list-style-type: none"> 0% - 9% postconsumer recycled Not remanufactured Not plant-based or solid ink 	<ul style="list-style-type: none"> Incandescent light/ T12 tubes 	<ul style="list-style-type: none"> Not energy efficient Made with restricted/ hazardous substances No ecolabel and not refurbished 	<ul style="list-style-type: none"> 0% - 9% postconsumer recycled No forest certification Bleached with chlorine Illegal/ unsustainable harvesting practices 	<ul style="list-style-type: none"> Not refillable 0% - 9% postconsumer recycled Not certified as non-toxic (for markers/ highlighters)
MEETS INDUSTRY ENVIRONMENTAL NORMS	<ul style="list-style-type: none"> Vendor has a take-back program for empty cartridges STMC certified for quality 	<ul style="list-style-type: none"> Complies with EU restriction on hazardous substances 	<ul style="list-style-type: none"> ENERGY STAR qualified where it's a norm in the category (e.g. printers) Complies with EU Restriction on hazardous substances (RoHS and WEEE) 	<ul style="list-style-type: none"> Elemental Chlorine Free (ECF) bleached SFI/PEFC/FSC controlled wood certified 	<ul style="list-style-type: none"> Refillable with available refill (but no other meaningful green attributes or ecolabels) Certified AP non-toxic (for markers/ highlighters)
LIGHT GREEN 	<ul style="list-style-type: none"> 10% - 29% postconsumer recycled OR <ul style="list-style-type: none"> Plant-based inks OR <ul style="list-style-type: none"> High yield 	<ul style="list-style-type: none"> Halogens/T8 Tubes 	<ul style="list-style-type: none"> Refurbished OR <ul style="list-style-type: none"> ENERGY STAR qualified where ENERGY STAR is not a norm for category (e.g. laptops/ monitors) 	<ul style="list-style-type: none"> FSC Mix virgin fiber OR <ul style="list-style-type: none"> Total Chlorine Free (TCF) OR <ul style="list-style-type: none"> 10% - 29% postconsumer recycled or plant-based fiber 	<ul style="list-style-type: none"> Certified AP non-toxic (for markers/ highlighters) OR <ul style="list-style-type: none"> 10% - 29% postconsumer recycled or plant-based
MID GREEN 	<ul style="list-style-type: none"> 30% - 100% postconsumer recycled OR <ul style="list-style-type: none"> Remanufactured (but not EcoLogo or plant-based ink & toner) OR <ul style="list-style-type: none"> Solid ink 	<ul style="list-style-type: none"> CFLs/T5 Tubes 	<ul style="list-style-type: none"> EPEAT Bronze and Silver, EcoLogo, Blue Angel, TCO, or Energy Star Most Efficient 	<ul style="list-style-type: none"> FSC Pure virgin fiber OR <ul style="list-style-type: none"> 30% - 89% postconsumer recycled 	<ul style="list-style-type: none"> Refillable AND <ul style="list-style-type: none"> 10% - 69% postconsumer recycled 10%-100% plant-based
DARK GREEN 	<ul style="list-style-type: none"> Solid Ink OR <ul style="list-style-type: none"> Remanufactured and EcoLogo certified or Plant-based ink & toner 	<ul style="list-style-type: none"> LEDs/LED Tubes 	<ul style="list-style-type: none"> EPEAT Gold 	<ul style="list-style-type: none"> 90% - 100% postconsumer recycled 	<ul style="list-style-type: none"> Refillable AND <ul style="list-style-type: none"> 70% - 100% postconsumer recycled 70% -100% plant-based AND <ul style="list-style-type: none"> USDA organic/FSC bamboo

GREENER SELLING TOOLS

We use a wide range of approaches to increase customer uptake of greener products. We offer The Green Book® catalog to simplify the green shopping experience for our contract customers, maintain a GreenerOffice™ web store with over 14,000 products with environmental attributes, and run regular promotions on greener products. We also have one of the industry's leading sets of Green Solutions and reporting tools, many of which were developed in collaboration with specific customers.

For Canada, the total sales of greener products constituted 24 percent of total sales in 2015, up from 20 percent in the previous year. The number of greener products has increased from approximately 2,500 to 3,600, of which 11 percent were Dark Green, 73 percent were Mid Green and 16 percent were Light Green. Recycled or remanufactured products constituted roughly 50 percent of all greener products.

WASTE & RECYCLING

At Office Depot® and Grand & Toy, we continue to look for ways to create circular consumption patterns for our customers and ourselves with programs that allow customers to recycle ink and toner, technology, paper, batteries and coffee pods. These sustainable solutions allow us to share our parallel values with our environmentally conscious customers.

Recycling Solutions for Customers	US	Canada	Combined Total
Ink and toner weight (mt)*	3,570	310	3,880
Ink and toner number	19,040,115	273,184	19,313,299
Technology weight (mt)	1,825	0	1,825
Paper from shredding services (mt)	2,090	0	2,090
Batteries (mt)	1.4	1.7	3.1
TerraCycle Canada Zero Waste boxes (mt)	0	8.5	8.5
Cellphones number	530	149	679

*Metric tons

Our combined company recycling rate continues to increase each year. In 2015, it reached 64 percent of our total waste, up 17 percent from 2013. Presently, we are recycling more than we are sending to landfills.

Internal Waste Practices	2015 Weight (mt)
Waste disposed	64,475
Total landfill	22,932
Total recycled	41,543
Diversion rate	64%

THE OFFICE DEPOT® GREENEROFFICE™ DELIVERY SERVICE

Over the years, we've used millions of cardboard boxes and plastic air pillows for delivering our products. Through the Office Depot® GreenerOffice™ Delivery Service, a large number of our orders are delivered in paper bags instead of cardboard boxes.

Significantly less wood is used to produce paper bags than corrugated boxes. The bags also contain 40 percent postconsumer recycled content, while the reusable plastic totes that protect the bags during transportation contain 60 percent postconsumer recycled plastic.

This program continues to help decrease the overall use of packing materials needed for Office Depot deliveries, resulting in cost savings and waste footprint reduction.

It also responds to our customers' interest in saving resources and reducing their waste.

The following chart shows the overall waste avoidance impact of switching from boxes to paper bags for all our customers in 2015.

GREENEROFFICE™ DELIVERY LIFECYCLE IMPACT ANALYSIS

	Environmental Impact	Est. Equivalence*
Wood Use	4,730,901 lbs	2,118 trees**
Net Energy	28,338 mil BTUs	311 homes energy avg/yr
Greenhouse Gases	5,133,749 lbs CO ₂	466 avg cars/yr
Wastewater	18,416,391, gal	28 Olympic-size swimming pools
Solid Waste	1,698,598 lbs	61 garbage trucks

*Scenario assumes a single bag to box replacement. The assumed average box weight is based on the weighted average of all boxes forecasted to be transitioned to bags.

**The number of typical trees assumes a mix of hardwoods and softwoods 6"-8" in diameter and 40' tall.

***Environmental impact estimates were made using the Environmental Paper Network paper calculator v3.2.1. For more information, visit papercalculator.org

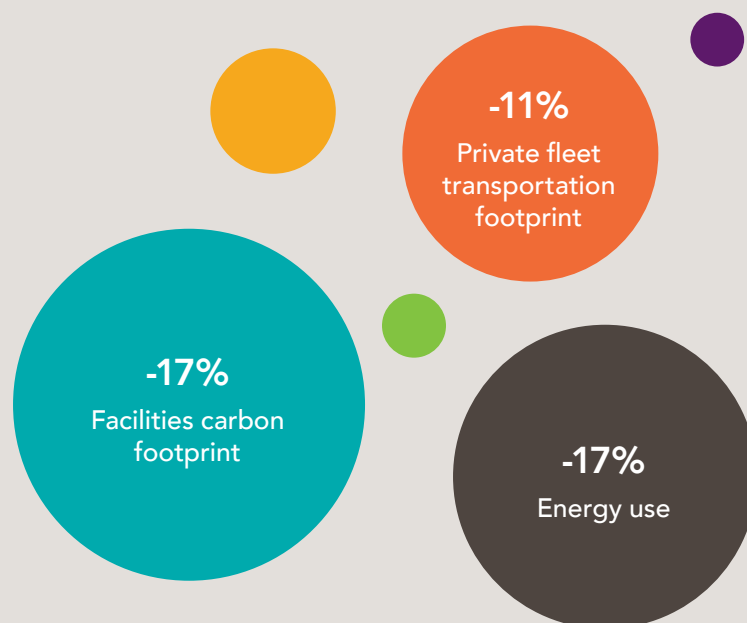




GREENHOUSE GAS FOOTPRINT

Our facilities' carbon footprint at Office Depot® is driven by three main sources: our stores, distribution centers and headquarters.

Since 2014, our facilities footprint has decreased primarily due to the business activities and streamlining operations from the merger of Office Depot and OfficeMax®.



Energy Use & Greenhouse Gas Emissions	2014	2015	Change
Total Energy Use (GJ)	3,428,458	2,841,858	-17%
Electricity Use (MWh)	719,090	640,884	-11%
Electricity Intensity (kwh/ft2)	12.1	11.4	-6%
Carbon Footprint From Private Fleet Diesel Use (mtCO2e)	14,472	12,900	-11%
Scope 1 and 2 Greenhouse Gas Emissions, before offsets	482,184	401,900	-17%
GHG Emissions Per Dollar Sales, before offsets (kg CO2e per UDD)	0.0384	0.0343	-0.4%

OFFICE DEPOT® SUSTAINABILITY AWARDS



SUSTAINABLE PURCHASING LEADERSHIP COUNCIL

2015 SPLC SUPPLIER LEADERSHIP AWARD

Sustainable Purchasing Leadership Council (SPLC) members include some of the world's largest B2B buyers, and is focused on accelerating the world's transition to sustainability.

Learn more about SPLC by visiting sustainablepurchasing.org.

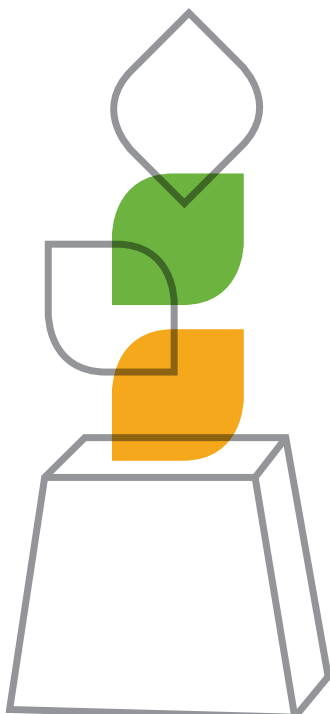


2015 EASTMAN CHEMICAL COMPANY SUSTAINABILITY AWARD AND SPECIAL RECOGNITION AWARD FOR EXCELLENCE



CORPORATE SOCIAL RESPONSIBILITY (PRODUCT) AWARD FROM THE CANADIAN OFFICE PRODUCTS ASSOCIATION

In November of 2015, Grand & Toy and TerraCycle Canada received a Corporate Social Responsibility Leadership (Product) Award from the Canadian Office Products Association.



OFFICE DEPOT® GREENER PURCHASING AWARDS TO CUSTOMERS

One of the unique ways we sell greener is by celebrating our customers who buy greener. In 2015, we held our 8th annual awards ceremony and presented Leadership in Greener Purchasing Awards for high overall green spend vs. peers to 30 of our customers, including:

Best Buy

Rush Enterprises

City of Chicago

Spirit Airlines

DaVita HealthCare Partners

Strategic Source

DHL

Teva Pharmaceuticals

Greystar Real Estate
Partners

Windfall

International Monetary
Fund (IMF)



SOCIAL SUSTAINABILITY

SUPPLIER DIVERSITY

Office Depot® is proud to offer one of the most comprehensive Supply Chain Diversity models of its kind.

Since its inception in 1999, the Office Depot Supplier Diversity team has been providing opportunities for qualified, competitive small businesses and women- and minority-owned businesses.

Our commitment is evident in our industry-leading approach to small business development, which includes three dimensions: Tier I, Tier II (Vendor) and Supplier (Indirect) Diversity.

The program assists Diverse Suppliers in building community, business and customer relationships that inspire organizational growth and empowerment within every aspect of our business.

We ensure equal opportunity for Diverse Suppliers that are certified minority, women, disabled, LGBT, veteran and small [SBA 8(a), SDB, WOSB, EDWOSB, VOSB, SDVOSB and HUB zone] enterprises.

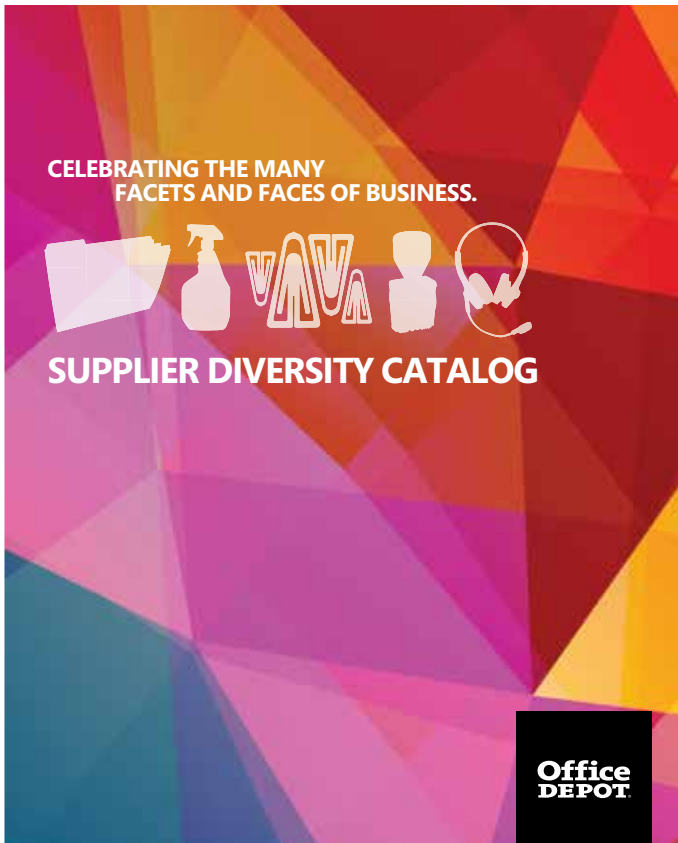


"Our mission at Office Depot is to create an inclusive environment where all people are valued and respected. Diversity is an important dimension of inclusion, innovation and customer focus, and key to our success in a global marketplace."

When we fit together, we can stand apart."

Carmen Deale
Merchandising Program
Manager,
Diversity Tier II





2015 AWARDS



PROFESSIONAL WOMAN'S MAGAZINE (PWM)

One of the 2015 "Best of the Best Supplier Diversity Programs"

DIVERSITYBUSINESS.COM

One of the 2015 "Top 50 Organizations for Multicultural Business Opportunities"

WE (WOMEN'S ENTERPRISE) USA MAGAZINE

One of the 2015 "100 Corporations of the Year"

HUMAN RIGHTS CAMPAIGN

Perfect score in Corporate Equality Index for 5th consecutive year

WOMEN'S BUSINESS ENTERPRISE NATIONAL COUNCIL (WBENC)

One of "America's Top Corporations for Women's Business Enterprises"

*This figure reflects 2015, Tier I, Tier II

PRIVATE BRAND & SUPPLIER COMPLIANCE

Office Depot® continues to work extensively with an independent, accredited third-party audit partner to conduct onsite supplier audits. This ensures that sourcing factories for our branded products are operating in accordance with our Supplier Guiding Principles.

Our Social Compliance team continues to actively review and approve corrective action plans. Re-audit frequency requirements are based on the severity of the findings detected by our third-party audit provider during the Social Compliance audits. Office Depot takes a zero-tolerance stance on certain breaches of our policies in which noncompliance by the supplier may result in termination of the relationship. We also ensure that factories receiving repetitive “needs improvement” grades are monitored for corrective actions to ensure sustainable solutions.

The year 2015 was one of transition. The best practices of Office Depot and OfficeMax’s Social Compliance programs were consolidated into a single robust program. In November 2014, a new initiative was deployed to help suppliers implement sustainable solutions in their corrective action plans. We continue to proactively train our vendors and factories on local laws, regulations and quality-of-life issues for their employees. Empowering our partners to do the right thing and be accountable for social compliance is a cornerstone of Office Depot’s Corporate Social Responsibility Program. The Social Compliance Program will continue to expand in those regions where we are sourcing Office Depot products currently or plan to in the future.



“Though compliance issues are often complex legal procedures, social compliance is unique in its potentially profound impact on the quality of life for workers around the world.”

Sandy Stainton
Senior Manager,
Social Compliance

CORPORATE SOCIAL COMPLIANCE

Corporate Social Compliance is the continuing commitment by businesses to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as the local community and society at large.



Chain of Custody



Environmental



Security



Work Environment



Health & Safety

CALIFORNIA TRANSPARENCY IN SUPPLY CHAINS ACT DISCLOSURE

The California Transparency in Supply Chains Act took effect in the State of California on January 1, 2012. The purpose of the Act is to eliminate slavery and human trafficking in product supply chains and to provide transparency to consumers so they may make more educated purchasing decisions. Office Depot® continues to fully support this Act, which requires companies to disclose their efforts to ensure that their supply chains are free of slavery and human trafficking. We continuously seek ways to enhance our processes to ensure that high standards of safety, quality and human rights are upheld throughout our supply chain.

Since the implementation of the Office Depot Social and Vendor Compliance Program in 2003, we have made value-based management the framework around which our global business strategy is constructed. We are committed to uphold the highest ethical, social and environmental standards in the conduct of our business and the operation of our supply chain. Fulfilling this commitment requires a comprehensive set of policies and programs integrated throughout our business operations. We ensure our compliance with the California Transparency in Supply Chains Act by communicating our Supplier Guiding Principles and working to ensure these Principles are upheld by our business partners who manufacture, assemble and distribute our products.

We require verification and certification as conditions of vendor-purchasing agreements or purchase-order items from each of our direct suppliers. These agreements require that these suppliers comply with applicable laws and regulations, including prohibitions on forced or child labor, slavery and human trafficking. Suppliers and their factories producing Office Depot's private label and direct import products are selected for a vendor compliance audit. These audits are performed or evaluated by an independent third party to verify compliance with our requirements.

Our disclosure statement can be viewed on our public website officedepot.com/a/customerservice/supply_transparency

SUPPLIER GUIDING PRINCIPLES

Office Depot® expects the suppliers who produce goods and services for our Company to adhere to our Supplier Guiding Principles. The principles are essentially our supplier code of conduct and represent our commitment to source goods and services from suppliers that strive to fully comply with all applicable laws and regulations. We seek to partner with suppliers who meet internationally recognized standards in dealings with their workers, the environment in which products are made and their supply chain operations. We require our suppliers to uphold the Office Depot Guiding Principles as a requirement for doing business with our Company.

SUPPLIER COMPLIANCE METRICS

In collaboration with our suppliers, we have enhanced our supply chain business model in order to address potential issues. This process includes ongoing training, education visits and assessments. The continuous improvement program was enhanced in November 2014. The new program mandates factories receiving three consecutive Needs Improvement results to attend in-house training. The enhanced program has provided an opportunity to customize the training to the factory to address the root

cause for reported findings and to implement sustainable solutions for those factories that qualified for the program. By the end of 2015, 58 factories completed the mandated training. In the first year of the program, there was a 10 percent improvement in the audit results. The program has been implemented globally and is built on a foundation of integrity. The program continues to drive improvement through process, collaboration, training and transparent data reporting.

NORTH AMERICA FACTORY INSPECTIONS: 2014 VS 2015

North America	2014	2015	Change
Total Audits	236	265	12%
Initial Audits	42	42	0%
Follow-up Audits*	194	223	15%

*Includes Annual & Re-Audit

GRADE

North America	2014	2015	Change
Zero Tolerance**	0%	0%	0%
Needs Improvement	54%	33%	-21%
Minor Progress	40%	60%	20%
Satisfactory	6%	7%	1%

**Includes Denied Entry and Critical Findings



"We do the right thing even when no one is looking - that is what should define integrity for each of us."

Heather Stern

Senior Vice President,
Deputy General Counsel,
Chief Compliance Officer

ETHICS & COMPLIANCE

The foundation of Office Depot's culture is based on our core values:

INTEGRITY

We say what we do and do what we say.

We always tell the whole truth and deliver on our commitments.

ACCOUNTABILITY

We take responsibility for our actions and the actions of our teams.

We accept responsibility for delivering results.

INNOVATION

We embrace the need for continuous improvement and never get too comfortable with the status quo.

TEAMWORK

We subordinate our personal needs and agendas for the greater benefit of our team.

RESPECT

We treat others the way we want to be treated.

These values guide our decision-making and how we behave as a company. At Office Depot, we strive to conduct ourselves and our business with uncompromising honesty and integrity. We make this commitment on a global scale to our customers, business partners, associates and shareholders because it is the right thing to do. We are committed to the highest standards of ethics and transparency in our operations. We believe organizations that remain loyal to their beliefs and have mechanisms in place to fulfill these goals build a foundation for long-term, sustainable success.

The Global Compliance Department strives to create awareness of and maintain compliance with Office Depot's ethical business practices and compliance policies by educating and training our associates. In 2015, we devoted significant resources to develop a new online training platform with a broader curriculum to provide a unified training program for our associates worldwide. We also conducted computer-based ethics and compliance training in 16 countries to reinforce our commitment to doing what is right.

Our Ethics and Compliance Program was further strengthened through live instructor-led Anti-Corruption and Anti-Bribery Policy training for associates in the various regions in which we operate. In addition, Office Depot conducted numerous other trainings on topics such as Anti-Harassment, Anti-Money Laundering, Privacy, Conflict of Interest and Insider Trading to further exemplify our commitment to our compliance policies and to educate our associates on the laws that are applicable to our business.

Office Depot's commitment to growing our business means ensuring that our growth strategies align with our commitment to ethical behavior and compliant business practices. As such, we regularly evaluate our internal compliance programs against industry standards, and validate their effectiveness by engaging outside legal, audit and ethics compliance partners in this evaluation.

OFFICE DEPOT® HOTLINE

One way Office Depot seeks to foster a positive and ethical work environment is through its global hotline. The hotline is our global ethics and compliance communications forum for associates and others to voice their concerns or report violations pertaining to financial integrity, the law or our Company policies. Our Global Compliance Department administers the hotline to ensure that concerns are reported in accordance with our policies and procedures, assigned to the correct investigation team, and thoroughly investigated and addressed.

The Office Depot Hotline is operated by an independent third party and available 24 hours a day, seven days a week through multiple avenues in 20 languages. We encourage all associates to do the right thing and report fraud, misconduct, theft or other unethical behavior via the Office Depot Hotline. Such reports help us address issues in the workplace and allow the company to take action to resolve actions or behaviors that could potentially harm others or the company.

DO THE RIGHT THING.

Report fraud, theft or other unethical behavior.



"Doing the right thing doesn't always bring success right away, but it is the ethical and moral foundation essential for building and growing long-term business relationships."

Francia Pampillonia
CCEP Consultant,
Global Compliance



"The Office Depot Foundation is proud to reflect the values of Office Depot and its associates as we carry out our efforts to serve children, families and communities around the world. We are grateful to the many individuals, companies and other organizations who support our work from year to year."

Mary Wong,
President,
Office Depot Foundation

PHILANTHROPY

The Office Depot® Foundation is an independent foundation that serves as the charitable giving arm of Office Depot. It has grown from a disaster relief program into the diverse nonprofit it is today. The Foundation was born out of the devastation of Hurricane Andrew, as the company's South Florida associates and surrounding communities struggled to get their lives and businesses back to normal. In 1994, it was formally structured as the Office Depot Disaster Relief Foundation. In 2007, the Office Depot Foundation took on a broad role as the primary charitable giving arm of the company with responsibility for several strategic priorities designed to demonstrate our commitment to making a difference around the world.

The mission of the Office Depot Foundation is Listen Learn Care. It seeks to carry out its mission through three guiding principles known as "The Caring Agenda." These include:

- Giving children tools for success in school and in life
- Building the capacity of nonprofit organizations through innovation and collaboration
- Helping people and communities prepare for disasters as well as recover and rebuild after a disaster strikes.

The Foundation is governed by a board of directors that is composed of Office Depot associates as well as individuals from outside the company. Every day, the Foundation strives to make a difference for children, families and communities around the world.



2015 AWARDS

The Office Depot® Foundation is grateful to be recognized for its contributions to the community, its commitment to community investment and its achievements in communications and public relations.

CSR HALL OF FAME

PR News inducted the Office Depot Foundation National Backpack Program into the CSR Hall of Fame during the CSR Awards luncheon at the National Press Club in Washington, D.C. PR News noted that "the CSR Hall of Fame celebrates organizations that have not just made an impact over the past several years but have launched model CSR programs that will be referred to for years to come. These are brands that are also noted for their history of CSR communications success."

2015 ENTREPRENEUR OF THE YEAR AWARD

Office Depot Foundation President Mary Wong was honored by South Palm Beach SCORE with its 2015 Entrepreneur of the Year Award. SCORE's Chairman Hal Finkelstein said, "Mary works tirelessly through the Office Depot Foundation to assist others in need, particularly children. She is an inspiration to all who know her, to the community to which she so selflessly devotes her time and energy, and to all of us at SCORE who are honored to recognize her for all her devotion and efforts, which reverberate throughout all aspects of our community."

HONORABLE MENTION

The 2014 Office Depot Foundation Annual Report to the Community received "Honorable Mention" recognition in two categories in the 2015 PR News Platinum PR Awards competition – Annual Reports and External Publications. It was among approximately a dozen reports honored in each category.

AMBASSADOR FOR THE POOR

Office Depot Foundation President Mary Wong was honored by "Food For The Poor" as its Ambassador for the Poor as part of its 20th Annual Building Hope Gala.

ECOSYSTEM OF SUPPORT FOR WOMEN ENTREPRENEURS

Mary Wong received an award for successful leadership and entrepreneurship during "Ecosystem of Support for Women Entrepreneurs," the fourth annual Women Entrepreneurs Network Summit presented by Palm Beach State College.

BACK-TO-SCHOOL HONORS

Mary Wong was honored during a back-to-school breakfast hosted by the American Association of Caregiving Youth (AACY) during the Greater Boca Raton Chamber of Commerce's Boca Festival Days activities in August.



DISASTER RECOVERY

"In the disaster field, the Office Depot Foundation is seen as a leader, convener, connector, facilitator and provider to communities, organizations and people in need," says Ines Pearce, Manager of the Disaster Help Desk and Senior Disaster Advisor for the U.S. Chamber of Commerce. "The Foundation moves quickly and efficiently to make a difference to people who are struggling with the challenge of keeping up hope. It acts with consistency and has become a 'go to' during disasters, not as a faceless donor, but as a part of the community solution."

To help small businesses and nonprofit organizations prepare for natural disasters as well as recover and rebuild in the aftermath of these tragic events, the Office Depot Foundation is the primary sponsor of the U.S. Chamber of Commerce Foundation Corporate Citizenship Center's National Disaster Help Desk for Business.

This 24-hour, toll-free hotline [1-888-MY-BIZ-HELP](tel:1-888-MY-BIZ-HELP) provides essential information, expert guidance and connections to invaluable resources.

NATIONAL BACKPACK PROGRAM – 15TH ANNIVERSARY

Through the award-winning Office Depot Foundation National Backpack Program, Office Depot® and the Office Depot Foundation have given away more than 3.7 million backpacks and sackpacks to deserving children since 2001. In 2015, the Foundation donated colorful, kid-friendly sackpacks containing essential school supplies across the United States and internationally. The sackpacks not only help kids prepare for school, but truly bring hope to children whose families couldn't otherwise afford to equip them with classroom needs.



"We believe that all kids need the tools to learn, grow and thrive. For the children we serve, sackpacks from the Office Depot Foundation are those tools. For a child who owns nothing new, a sackpack marks the start of a new school year, as well as an opportunity for growth and success. Sackpacks are cool, colorful and brand new. Often the small things make a huge impact."

Fran Held,
Mitzvah Circle Founder

CAPACITY BUILDING

Supporting the Foundation's commitment to building the capacity of nonprofit organizations, it hosts an annual "Weekend in Boca Civil Society Leadership Symposium" in Boca Raton, Florida. Participants in the symposium, which is presented free of charge, gain insight and knowledge from nationally prominent speakers, enjoy extensive opportunities to network and learn about best practices and how to incorporate them into their important work.



"I was both impressed and thrilled with the quality of the program. Not only were the presenters 'top notch,' I met some really great nonprofit professionals that I have remained in contact with. A really great event!"

Steven Adkins,
President,
Miami-Dade Gay & Lesbian Chamber of Commerce



SUSTAINABILITY DASHBOARD

Goal	Corporate Sustainability Metric	Total	Proposed Sub-Metric	Sub-Metric Data	GRI Indicators
Economic Sustainability ¹	Global Office Depot® Sales (in millions)	\$14,485	Net Sales (all products & services)	\$14,485	G4-9
	Global Office Depot Spend (in millions)	\$10,983	COGS (all products & services)	\$10,983	
	Global Office Depot Gross Profit (in millions)	\$3,502	Gross Profit (all products & services)	\$3,502	
Environmental Sustainability	Eco-Conscious Sales	29.95%	Sales of Products Containing Recycled Content	17.70%	G4-EN27
			Sales of Products With Other Meaningful Eco-Attributes	12.30%	
			Sales of Products With Third-Party Eco-Labels ²	14.00%	
	Eco-Conscious Spend ³	31.70%	COGS on Eco-Conscious Products & Services	31.70%	
	Waste from Operations	64,400mt	Waste Footprint	22,900mt	G4-EN23
			Recycling From Operations	41,500mt	
	Weight of Products Recycled From Customers	7,810mt	Tech	1,825mt	G4-EN28
			Paper (shredding)	2,090mt	
			Ink/Toner Weight	3,880mt	
			Batteries/Cellphones	3.1mt	
			Terracycle Boxes ⁴	8.46mt	
	Carbon Footprint From Transportation	12,900mt CO ₂ e	Carbon Footprint From Private Fleet ⁵	12,900mt	G4-EN15 G4-EN30
	Carbon Footprint From Facilities ⁶	380,500mt CO ₂ e	Electricity	640,884,000kWh	G4-EN3 G4-EN16
			Natural Gas/Propane Fuel	544,500mmmbtu	G4-EN3 G4-EN15

CONTINUED ON NEXT PAGE

Goal	Corporate Sustainability Metric	Total	Proposed Sub-Metric	Sub-Metric Data	GRI Indicators
Social Sustainability	Socially Conscious Sales	4.13%	Diverse Supplier Sales (%)	4.08%	
			Sales of Fair Trade Products and Products With > 1% of Sales to Charity (%)	0.05%	
	Philanthropy	\$4,345,174	Cash Donations	\$3,532,813	G4-EC1
			Number of Backpacks Donated	286,699	
			Value of In-Kind Donations	\$812,361	
			Number of Hours Donated by Employees	577 ⁷	
	Supplier Diversity	360 ⁸	Number of Diverse Suppliers Supported	360	
	Global Supplier Compliance*	7%	Number of Factories Manufacturing Private Brand Products	260	G4-HR9
			Number of Audits Completed	266	
			Number of Factories With Satisfactory Audit Results	5	
			Percent of Factories With Satisfactory Audit Results	7%	

1 Global Office Depot information was used for this metric. All other data in the dashboard is specific to US and Canada.

2 Not all products containing third-party eco-labels are classified as green products.

3 Due to availability of data, indirect spend associated with the calculation of eco-conscious spend only includes US global headquarters. Therefore we have underestimated eco-conscious spend.

4 This number reflects Zero Waste Boxes for coffee capsules offered to customers in Canada.

5 This figure excludes diesel fuel because it is a very small number.

6 This calculation is based on energy-carbon footprint minus carbon offsets.

7 This figure reflects only numbers for Canada. The US numbers could not be isolated only to Office Depot employees.

8 There are a total of 360 vendors which includes: Tier 1, Tier 2 and Procurement.

Office DEPOT®