Fourth Quarter and Full Year
2020 Enhanced Earnings Report
Safe Harbor Statement

The Private Securities Litigation Reform Act of 1995, as amended, (the “Act”) provides protection from liability in private lawsuits for “forward-looking” statements made by public companies under certain circumstances, provided that the public company discloses with specificity the risk factors that may impact its future results. The Company wants to take advantage of the “safe harbor” provisions of the Act. Certain statements made during this presentation are forward-looking statements under the Act. Except for historical financial and business performance information, statements made during this presentation should be considered forward-looking as referred to in the Act. Much of the information that looks towards future performance of the Company is based on various factors and important assumptions about future events that may or may not actually come true, including the impacts on our business due to the unknown severity and duration of the COVID-19 outbreak. As a result, operations and financial results in the future could differ materially and substantially from those discussed in the forward-looking statements made during this presentation. Certain risks and uncertainties are detailed from time to time in the Company’s filings with the United States Securities and Exchange Commission (“SEC”). You are strongly urged to review all such filings for a more detailed discussion of such risks and uncertainties. The Company’s SEC filings are available at no charge at www.sec.gov and at the Company’s website at investor.theodpcorp.com.

During portions of today’s presentation, the Company may refer to results which are non-GAAP financial measures. A reconciliation of GAAP to non-GAAP financial measures is available on the Company’s website at investor.theodpcorp.com. These measures exclude charges or credits not indicative of core operations and the tax effects of these items, which may include but not be limited to merger integration, restructuring, acquisition costs, asset impairments, loss on extinguishment of modification of debt and executive transition costs. The exact amount of these charges or credits are not currently determinable but may be significant. Accordingly, the Company is unable to provide GAAP measures or equivalent reconciliations from GAAP to non-GAAP for these financial measures.
Update on Staples Proposed Offer

David Bleisch, EVP and Chief Legal & Administrative Officer
Gerry Smith
Chief Executive Officer
Rising to the Challenges of 2020

COVID environment posed challenges

- Local restrictions
- Business shutdowns/paused operations
- Work environment changes
- Evolving customer needs
- Distributed workforces

Through it all, we remained true to our core tenets, lived our 5C Culture, and continued to execute

Delivered solid operating results

Made significant progress on our B2B pivot and digital transformation
Corporate Responsibility

Setting higher standards for working, investing, and giving back

Winning Culture

Customer Commitment
Change Caring Creativity

ESG Matters

Environmental Reduced GHG emissions
Social Focused on diversity and inclusion
Governance Independent Directors and Pay for Performance

Community Investment

#depotdifference
ODP’s Strategic Tenets

1. Drive Low-Cost Model
   Lower fixed cost, scalable model

2. Transition to Higher Growth Opportunities
   Expanding our value proposition; grow adjacency categories

3. Evolving into Higher Value Businesses
   New growth engines, digital transformation, leveraging B2B assets

4. Embed 5C Culture

Creating Long-Term Shareholder Value
2020 Significant Accomplishments

Implemented and Maintained Safety Measures for Associates and Customers

1. Drove Solid Operating Results & Free Cash Flow
2. Expanded Our Value Proposition
4. Further Strengthened Balance Sheet
Addressed the Evolving Needs of Customers

- Working & learning from home
- Staying connected
- Home office products, services and support
- PPE needs
- Reliability and “need it now”
- Cost management

Global Sourcing & Supply Chain Ecosystem

Global Sourcing & Supply Chain

Multiple Routes to Market

Broad Products & Services

Go-to-Market Engine
Diverse Routes to Market
Retail and eCommerce Partially Offset COVID Impact in Contract and CompuCom

Retail & Omni
- Omni
- Retail Sales
  - "BOPIS; curb-side pick-up"

Digital Channels
- eCommerce
  - "Shift to on-line"
  - "Reliable Supply Chain"

Contract & Services
- Enterprise/Contract Disruption
- Services Volume
  - "Business disruption in education and enterprises"
Strong eCommerce and Omni Demand
Growing digital presence helped offset COVID impacts

15%* Increase in BSD eCommerce Demand
27%* Increase in Total Omni Demand

BOPIS up 75%*
Total eCommerce Traffic up 46%*
Mobile Traffic up 79%*

*Year-Over-Year
Expanded Product Portfolio
to Meet Customer Needs

- 21% Cleaning & Breakroom*
- 8% Workspaces & Furniture
- 18% Technology
- Total Adjacencies Sales: 45%

*Includes impact of strong increase in PPE sales in 2020
Drove Solid Operating Results & Free Cash Flow

Balanced ecosystem and low-cost model drove performance!

- Balanced ecosystem and low-cost model helped to offset COVID impacts
- Broader offering of products and services met evolving customer needs
- Low-cost business model drove efficiencies

$300M
Adjusted Operating Income FY 2020\(^{(1)}\)

$474M
Adjusted Free Cash Flow FY 2020\(^{(2)}\)

\(^{(1)}\) Non-GAAP financial measure. A reconciliation of GAAP to non-GAAP financial measures can be found at investor.theodpcorp.com.

\(^{(2)}\) As used in this presentation, Adjusted Free Cash Flow is defined as free cash flow excluding cash charges associated with the Company’s Maximize B2B Restructuring Plan and its Business Acceleration Program. Adjusted Free Cash Flow is a non-GAAP financial measure. A reconciliation of GAAP to non-GAAP financial measures can be found at investor.theodpcorp.com.
B2B and Low-Cost Focus Transforming the Business Model

2017

51% Retail
49% B2B

Adjacency % of Revenue ~30%
SG&A % of Revenue > 20%

2019-20

~40% Retail
~60% B2B

Adjacency % of Revenue ~45%
SG&A % of Revenue < 20%
Recent Progress on B2B Pivot and Digital Transformation

Initiated “Maximize B2B”

B2B-Focused Corporate Actions

Enhanced Senior Team

Advanced Digital Transformation
Combining the power of ODP’s B2B assets and digital presence to meet the expanding integrated platform needs for buyers and suppliers
2021 Areas of Focus

Accelerating our B2B Pivot

   - BSD
   - Supply Chain
   - Digital

2. Build Supply Chain as a Service and Enhance Capabilities

3. Drive Digital Transformation

4. Optimize CompuCom

Create and Drive Shareholder Value
Growing BSD
Execution Priorities

**Market Expansion**
- Growth plan by segment, vertical, and LOB
- Expand coverage into new growth opportunities
- M&A targets based on strategic alignment

**Customer Focused**
- Superior account service and prioritize sales based on individual customer needs
- Account plans to drive increased value, alignment, and solution set
- Digital enhancements

**Coverage & Capacity**
- Increase “Virtual Selling”
- Sales capacity plan aligned to growth objectives
- Enhanced training tools

**Profitable Growth**
- Drive margin expansion and commitment to low-cost business model
- Increased share-of-wallet within account base
- Full benefits of the Targeted Growth System
Our Supply Chain Sources Globally, Fulfills Millions of Orders, and Efficiently Delivers to Destinations Across the US for ODP Customers and SC Services Clients

- Global sourcing in China reaching 350 factories in 14 countries
- ~10M SMB and Enterprise B2B Customers
- 35+ distribution locations and strategic direct import centers and 1,000+ retail operations
- Last mile delivery fleet that reaches 98.5% of population with 99% on-time delivery

MENU OF SUPPLY CHAIN SERVICES MADE AVAILABLE TO EXTERNAL CLIENTS
Our Digital Transformation
Better customer experience and positively disrupting the B2B Commerce market
Creating and Driving the Next-Gen Digital Business Platform

Integrated source-to-settle digital business platform utilizing ODP’s comprehensive B2B ecosystem combined with proven technology and business expertise

Meeting customers’ demand for end-to-end digital solutions leveraging supply chain, distribution, and P2P capabilities

Modern source-to-settle business platform in the $8 trillion B2B commerce marketplace, currently less than 20% on-line

Natural evolution of our business leveraging our strong B2B platform and ecosystem

Experienced team and technology partners in place

Curated, modern and value-added experience for customers, attracting third party suppliers

Investment requirements within capex budget
Digital Transformation Progress

1. Key hires enhancing team with deep B2B technology and industry expertise

2. Accelerated our technology development with the acquisition of BuyerQuest

3. Microsoft Collaboration: strong validation of platform
Enhanced Senior Team Talent with Deep B2B Expertise

Prentis Wilson
President of Digital Transformation
Former head of Amazon Business

Terry Leeper
Chief Technology Officer
Former technology lead at Amazon Business
BuyerQuest Accelerates Technical Development

• Leading Procure-to-Pay software platform in the Source-to-Settle market

• Top industry rankings

• Advanced software platform with “blue-chip” customer base handling $ billions of transactions

• Acquisition accelerates ODP’s technology development and launch plan

• Positions ODP to participate immediately in the $50+ Billion P2P marketplace while we add to our capabilities

• Key asset in our digital transformation journey to pursue growth in the $8 trillion business transaction market
Technology Collaboration with Microsoft

• Strong validation of our strategy and technology development

• Working to bring digital procurement platform to Microsoft Dynamics 365 Business Central Customers

• Azure cloud agreement

• Enables us to reach large market – enterprises and SMBs
Why ODP – Right to Win!
The “right” assets, technology, digital platform and team in-place!

Customers want an integrated digital solution

Physical Assets
- Supply Chain
- Distribution
- Business Customer Base
- GTM/Sales Force

Digital Assets
- Current Platform Assets
- Creating New Digital Platform

Next-Gen Digital Platform
Attracting Suppliers/Expanding Reach for Customers
2020 Financial Overview

Anthony Scaglione, EVP & Chief Financial Officer
# Fourth Quarter 2020 Summary

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
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<tbody>
<tr>
<td>Sales</td>
<td>$2,288</td>
<td>$2,508</td>
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<tr>
<td>Operating Income</td>
<td>$21</td>
<td>$74</td>
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<tr>
<td>Adjusted Operating Income</td>
<td>$44</td>
<td>$92</td>
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<tr>
<td>Net Income</td>
<td>$18</td>
<td>$55</td>
</tr>
<tr>
<td>Diluted Earnings Per Share</td>
<td>$0.34</td>
<td>$1.00</td>
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<tr>
<td>Adjusted Earnings per share (diluted)</td>
<td>$0.55</td>
<td>$1.24</td>
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<tr>
<td>Adjusted EBITDA</td>
<td>$89</td>
<td>$156</td>
</tr>
<tr>
<td>Operating Cash Flow</td>
<td>$(4)</td>
<td>$152</td>
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<tr>
<td>Free Cash Flow</td>
<td>$(18)</td>
<td>$125</td>
</tr>
<tr>
<td>Adjusted Free Cash Flow</td>
<td>$(4)</td>
<td>$135</td>
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</table>

- COVID-19 challenges continued in 4Q20 impacting revenue and operating performance
- Closed 90 store locations in 4Q
- Met internal plan for free cash flow generation
- Balanced channels to market and work/learn from home and essential products demand partially offset COVID impacts

(1) Non-GAAP financial measure. A reconciliation of GAAP to non-GAAP financial measures can be found at investor.theodpcorp.com.
(2) After obtaining shareholder approval on May 11, 2020, the Company’s Board of Directors determined to set a reverse stock split ratio of 1-for-10 for a reverse stock split of the Company’s outstanding shares of common stock, and a reduction in the number of authorized shares of the Company’s common stock by a corresponding ratio. The reverse stock split was effective on June 30, 2020. All share and per share amounts in this presentation have been retroactively adjusted for the prior period presented to give effect to this reverse stock split.
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Drove solid operational results in 2020 despite the challenges posed by COVID-19

- $300 million in adjusted operating income(1) and $474 million in adjusted free cash flow(4)
- Balanced channels to market and work/learn from home and essential products demand partially offset COVID impacts
- eCommerce and omni channel growth helped to balance impact in contract channel from COVID-19
- Low-cost model approach drove SG&A improvements helping to partially offset flow through impact of lower revenue
- GAAP results include non-cash charges of $363 million related to the impairment of goodwill and other intangible assets recorded in the second quarter of 2020

### Full Year 2020 Summary

<table>
<thead>
<tr>
<th>($ in millions, except per share amounts)</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>$9,710</td>
<td>$10,647</td>
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<tr>
<td>Operating Income (Loss)</td>
<td>$(252)</td>
<td>$191</td>
</tr>
<tr>
<td>Adjusted Operating Income (1)</td>
<td>$300</td>
<td>$367</td>
</tr>
<tr>
<td>Net Income (Loss)</td>
<td>$(319)</td>
<td>$99</td>
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<tr>
<td>Diluted Earnings (Loss) Per Share (2)</td>
<td>$(6.05)</td>
<td>$1.80</td>
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<tr>
<td>Adjusted Earnings per share (diluted)(1)(2)</td>
<td>$3.50</td>
<td>$4.13</td>
</tr>
<tr>
<td>Adjusted EBITDA (1)</td>
<td>$491</td>
<td>$590</td>
</tr>
<tr>
<td>Operating Cash Flow</td>
<td>$485</td>
<td>$366</td>
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<tr>
<td>Free Cash Flow</td>
<td>$417</td>
<td>$216</td>
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<tr>
<td>Adjusted Free Cash Flow (4)</td>
<td>$474</td>
<td>$310</td>
</tr>
</tbody>
</table>

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Sales were impacted in quarter and year over year by conditions caused by COVID-19 outbreak

- 4Q20 reported total sales of $1.1 billion, down 10% versus 4Q19; 2020 reported total sales down 11%
- Contract channel demand impacted by school/business closures due to pandemic; Partially offset by 15% increase in demand in eCommerce channel

Growth in adjacency categories

- Adjacency categories grew and account for 45% of total BSD revenue for the year

4Q20 operating income of $18 million versus $69 million in 4Q19; 2020 operating income of $116 million

- Margins impacted by flow through impact of lower sales and product mix
- Lower SG&A from cost efficiency programs
- Distribution costs slightly elevated due to conditions caused by COVID
Retail Division

- **4Q20 reported sales declined 6% versus 4Q19; 2020 reported sales down 4% versus 2019**
  - Sales decline related to planned store closures; 90 store closures in 4Q20, leading to 153 fewer stores in service YOY
  - Strong omni sales; BOPIS up 50% in quarter versus last year; strong demand for curb-side pick-up; Higher sales per shopper

- **4Q20 operating income of $50 million versus $34 million in prior year period; 2020 operating income up 42% versus 2019**
  - 190 bps margin improvement as a percentage of sales in quarter
  - Lower SG&A; lower operating lease costs; improvement in distribution and inventory management costs
4Q20 reported sales of $207 million versus $237 million in prior year period; 2020 sales of $854 million
- COVID-19 impacts; Lower product sales; lower services volume; lower project-related sales

4Q20 operating income of $4 million versus $9 million in 4Q19
- Flow through impact related to lower sales due to COVID-19 outbreak
- BAP cost efficiency measures and other cost reduction efforts helping to partially offset

Improvement plan and evaluating strategic options
- Refocused strategy leveraging core strengths
- Strong new logo wins improving pipeline of new business
- Evaluating strategic options including potential sale of business
**Balance Sheet / Cash Flow Highlights***

<table>
<thead>
<tr>
<th>Strong Available Liquidity</th>
<th>Total available liquidity of approximately $1.7 billion at end of 4Q20</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• $934 billion available credit under asset-based lending facility</td>
</tr>
<tr>
<td></td>
<td>• $729 million in cash and cash equivalents</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Operating Cash Flow</th>
<th>Operating cash flow use of $(4) million in 4Q20 and included cash outflows related to:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• $14 million in restructuring costs</td>
</tr>
<tr>
<td></td>
<td>• $1 million in acquisition and integration-related costs</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Capital Expenditures &amp; Other</th>
<th>Capital expenditures of $14 million in 4Q20</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Lower investment in retail operations; continued investments in B2B platform, distribution network, eCommerce</td>
</tr>
</tbody>
</table>

| Adjusted Free Cash Flow*     | Adjusted Free Cash Flow(*) of $(4) million in 4Q20 and $474 million for 2020               |

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Maximize B2B Restructuring Plan
Fuel for growth; low-cost driver; reduced liabilities

Rationalizing retail to maximize cash
Optimize our store footprint to help fund our priorities and reduce liabilities

Investing in our B2B ecosystem & expand offerings
Continue investing in our capabilities:
- Robust supply chain
- Customer & vendor relationships
- Go-to-Market Engine
- Expanded products/services

Investing in new growth engines
Grow ODP’s B2B business by investing in new growth engines
- Digital transformation & supply chain services

Maximizing shareholder value
Drive value and deliver returns to shareholders through growth and capital return to shareholders
Maximize B2B Objectives
Unlocking underperforming assets in Retail and redeploying in higher return B2B business

Benefits
- Eliminates underperforming retail assets
- Generates substantial cash flow to help support B2B pivot and creates opportunities to enhance capital returns
- Reduces retail lease liabilities and supporting cost structure
- Provides greater flexibility in business model
- Creates more profitable retail footprint that supports businesses and consumers

Evaluation Criteria
- Maximizing cash flow
  - Unlocks trapped working capital (inventory)
  - Captures strong transfer rate to adjacent stores
  - Reduced support cost
- Reducing lease exposure
- Flexibility on lease terms (landlords) may affect pace and number of store closures

Key Long-term KPI’s
- Overall lease liabilities
- Duration of leases
- Cash flow expectations