Third Quarter 2021 Financial Results
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 pandemic. 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, and asset impairments.
Gerry Smith
Chief Executive Officer
3Q21: Performance Aligned with ODP’s Strategic Tenets

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

2. Transition to Higher Growth Opportunities
   Expanding our value proposition

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

3Q21 Progress

✓ Delivered solid operating results
✓ Continued to advance digital transformation/Varis
✓ Progress on unlocking shareholder value

Creating Long-Term Shareholder Value
3Q21: Summary of Significant Accomplishments

1. Delivered Strong Adjusted Operating Results Despite Challenges
2. Advanced the Development of our Digital Platform Business
3. Solid Progress on Separation
4. Continued to Execute Upon Share Repurchase Plan

Building a More Valuable Enterprise
Low-Cost Model Drove Solid Operating Results
Delivered solid performance despite industry challenges

$122 Million*  
Adjusted Operating Income

*Non-GAAP financial measure. A reconciliation of GAAP to non-GAAP financial measures can be found at investor.theodpcorp.com.

- Operational excellence and supply chain flexibility positioned ODP to deliver solid performance
- Back-to-office trends slower due to Delta variant; slightly better traction in enterprise contract channel
- Back-to-school activity helped partially offset lower sales for pandemic related products in higher demand last year
- Low-cost model helped drive $122 million in adjusted operating income
- Private fleet, distribution assets, diverse third-party relationships, and flexible pricing strategies helped mitigate some of the recent supply chain cost pressures
BSD: Strong Value Proposition

Positioned for “Back-to-Office”

Back-to-office recovering, but at a slow pace

- COVID-19 Delta variant caused slower return-to-office activity
- Private enterprise sector beginning to recover
- Contract channel sales up, offset by lower sales in eCommerce channel
- Sourcing and supply challenges for technology related products

Growth opportunities ahead in return-to-office; adjacency categories remain at 44% of sales

- Increase in supply categories; up YOY in Contract channel
- Adjacencies 44% of total BSD despite lower PPE and furniture sales; Copy & Print services up
- Technology-related product sourcing remains a challenge
- Strong renewal win rate; net customer wins – positioned for future

Prior investments partially mitigating supply chain pressures

- Private fleet; 3PL relationships; contract base carrier agreements
- Flexible sourcing & supply network; pricing flexibility
Retail Division: School Supply & Home Office Headquarters

Strong support for schools, education customers, and small business; low-cost operating model driving strong operating results

- Support for schools and hybrid workers; continued home office supply headquarters source for small businesses
- Optimized Retail footprint; low single digits decrease in revenue on comparable store basis
- Back-to-School season drove increase in school supply categories as more students back in class versus last year; Back-to-School supplies industry not yet back to pre-pandemic levels
- Lower retail store traffic compared to last year’s strong demand during pandemic; PPE and hybrid worker sales lower year-over-year
- Operating margins up over last year
- Technology product availability continues to be a challenge
ODP: Positioned to Navigate Supply Chain/Cost Challenges

Global supply chain challenges began with the onset with the pandemic

Challenges

Supply chain
- Ocean containers availability/costs
- Over-the-road trucking
- Last mile (availability and costs)

Materials and COGS cost pressure
- Scarcity and increase cost of raw materials
- Inflationary effects impacting product cost

Labor
- Labor cost supply chain
- General

ODP’s Strong Position

- Leveraging supply chain scale, depth, and long-term relationships with vendors/suppliers
- Long term agreements with ocean carriers and port flexibility
- Leveraging internal LTL network/backhaul
- Large private fleet
- Relationships with over 25+ last mile national small parcel carriers
- Ability to pass through price increases
- Incentives for labor/workers instead of LT wage increases
Progress on B2B Pivot & Digital Transformation

Leading procure-to-pay (P2P) platform
Attracting new business
Initializing new customers

Advanced our collaboration with Microsoft
Development path remains on-track

Attracting industry leading talent

Continuing to work closely with suppliers
Strong interest from supplier community
Broad capabilities and reach on new digital platform

BUYERS
Buyer Focused Purchasing with "B2C-Like" User Experience

SELLERS
Supplier Focused Go-to-Market Solution

Innovative Platform for Buyers & Suppliers
Progress on Value-Creating Separation of ODP

✓ Announced CEOs of each company
✓ Meaningful progress on mechanics; market-based commercial agreements
✓ Identifying organizational structure and additional leadership
✓ Timing for completion remains on-track
✓ Separation expected to create value for customers, investors, and team
Separation Creates Two, Highly Focused, Publicly-traded Companies

**The ODP Corporation**
A leading B2B distribution business and business commerce platform, consisting of:

- US Core Contract
- Varis B2B Digital Platform Business
- Grand & Toy and Federation
- CompuCom*

**Key capabilities and assets also include:**
- Supply Chain Assets
- Procurement & Sourcing

**Office Depot, Inc.**
A leading B2C brand and provider of business products and services, consisting of:

- Office Depot
- Office Max Retail Stores
- Direct Channel (officedepot.com)

**Key capabilities and assets also include:**
- Merchandising
- Marketing

*Plan for value-maximizing sale of CompuCom, ODP’s managed workplace services provider subsidiary, continues to move forward.*
Update on Sycamore/Staples Proposal

David Bleisch, EVP and Chief Legal & Administrative Officer
3Q21 Financial Overview

Anthony Scaglione, EVP & Chief Financial Officer
# Third Quarter 2021 Summary

<table>
<thead>
<tr>
<th>($ in millions, except per share amounts) (1)</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>$2,179</td>
<td>$2,347</td>
</tr>
<tr>
<td>Operating Income</td>
<td>$104</td>
<td>$102</td>
</tr>
<tr>
<td>Adjusted Operating Income (2)</td>
<td>$122</td>
<td>$136</td>
</tr>
<tr>
<td>Net Income Loss From Continuing Operations</td>
<td>$73</td>
<td>$34</td>
</tr>
<tr>
<td>Diluted Earnings Per Share From Continuing Operations</td>
<td>$1.33</td>
<td>$0.63</td>
</tr>
<tr>
<td>Adjusted Net Income From Continuing Operations (2)</td>
<td>$96</td>
<td>$102</td>
</tr>
<tr>
<td>Adjusted Earnings Per Share From Continuing Operations (Most Diluted) (2)</td>
<td>$1.76</td>
<td>$1.88</td>
</tr>
<tr>
<td>Adjusted EBITDA (2)</td>
<td>$162</td>
<td>$175</td>
</tr>
<tr>
<td>Operating Cash Flow From Continuing Operations</td>
<td>$121</td>
<td>$256</td>
</tr>
<tr>
<td>Free Cash Flow (3)</td>
<td>$102</td>
<td>$243</td>
</tr>
<tr>
<td>Adjusted Free Cash Flow (4)</td>
<td>$123</td>
<td>$259</td>
</tr>
</tbody>
</table>

- Global supply chain dynamics creating industry challenges and increased costs
- Slower pace of back-to-office due to Delta Variant; Back-to-school added to performance
- Stronger demand for core supplies; offset by lower demand for pandemic related products
- Low-cost model, Maximize B2B plan, cost efficiency plans helped drive operating income
  - GAAP operating income of $104 million
  - Adjusted operating income (2) of $122 million

---

(1) On June 29, 2021, the Company’s Board of Directors provided their alignment with management’s commitment to a plan to sell its CompuCom Division through a single disposal group. Accordingly, that business is presented as discontinued operations beginning in the third quarter of 2021. The Company has reclassified the financial results of the CompuCom Division to Discontinued operations, net of tax in the Condensed Consolidated Statements of Operations for all periods presented. The Company also reclassified the related assets and liabilities as assets and liabilities held for sale on the accompanying Condensed Consolidated Balance Sheets as of September 25, 2021, and December 26, 2020. Cash flows from the Company’s discontinued operations are presented in the Condensed Consolidated Statements of Cash Flows for all periods.

(2) Non-GAAP financial measure. A reconciliation of GAAP to non-GAAP financial measures can be found at investor.theodpcorp.com.

(3) As used in this presentation, Free Cash Flow is defined as cash flow from operating activities less capital expenditures. 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.

(4) 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, the Business Acceleration Program, and the planned separation of the consumer business. Adjusted Free Cash Flow is a non-GAAP financial measure and reconciliations from GAAP financial measures can be found at the Company’s investor relations website at investor.theodpcorp.com.
Business Solutions Division – 3Q21

**Sales** ($ millions)

<table>
<thead>
<tr>
<th></th>
<th>3Q21</th>
<th>3Q20</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$1,171</td>
<td>$1,197</td>
</tr>
</tbody>
</table>

- Sales decreased 2% versus 3Q20
  - Enterprise contract channel sales increased YOY
  - Lower eCommerce channel demand
  - Pace of back-to-office trends slower due to the delta variant

**Operating Income** ($ millions)

<table>
<thead>
<tr>
<th></th>
<th>3Q21</th>
<th>3Q20</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$41</td>
<td>$45</td>
</tr>
</tbody>
</table>

- **Increased demand for core supplies; lower demand for pandemic related products**
  - Core supply categories increased as businesses slowly return to office
  - Lower demand YOY for PPE, cleaning and technology products
  - Adjacency categories remained at 44% of total BSD revenue in the quarter
  - Inventory challenges in Technology and Ink

- **3Q21 operating income of $41 million versus $45 million in 3Q20**
  - Sales mix and cost efficiencies helped offset supply chain cost pressures

- **Growing pipeline of new business; net new wins**
Retail Division – 3Q21

- **Sales decreased 13% versus 3Q20**
  - Primarily drive by 160 fewer stores in service YOY, including 7 stores during the quarter
  - Increase in core school supplies YOY offset by lower sales in PPE, cleaning, furniture and technology
  - Supply chain sourcing challenges in technology and Ink

- **Back-to-school industry grew YOY; not back to pre-pandemic levels for all categories**

- **3Q21 operating income of $107 million versus $119 million in 3Q20**
  - Product mix, low-cost model, Maximize B2B plan drove operating performance offsetting cost pressures
  - 30 bps margin improvement in margin as a percentage of sales

### Sales

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>3Q21</strong></td>
<td>$999</td>
</tr>
<tr>
<td><strong>3Q20</strong></td>
<td>$1,147</td>
</tr>
</tbody>
</table>

### Operating Income

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>3Q21</strong></td>
<td>$107</td>
</tr>
<tr>
<td><strong>3Q20</strong></td>
<td>$119</td>
</tr>
</tbody>
</table>
### Balance Sheet / Cash Flow Highlights

#### Strong Available Liquidity

- Total available liquidity of approximately $1.7 billion at end of 3Q21
  - $753 million in cash and cash equivalents
  - $953 million available credit under asset-based lending facility
  - $353 million in total debt

#### Operating Cash Flow

- Operating cash flow of $121 million in 3Q21
  - Included $3 million of restructuring costs
  - Higher working capital usage relative to prior year period and tax refund not repeated in 3Q21

#### Capital Expenditures & Other

- Capital expenditures of $19 million in 3Q21
  - Continued investments in B2B platform and digital transformation; Lower investment requirements for retail operations;

#### Adjusted Free Cash Flow*

- Adjusted Free Cash Flow of $123 million in 3Q21

#### Share Repurchase

- 3Q21: Repurchased $76 million in stock retiring 1.7 million shares
  - Additional shares bought through October: ~600k shares for ~$24 million

---

* Free Cash Flow is a non-GAAP financial measure and is defined as cash flows from operating activities less capital expenditures. 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, the Business Acceleration Program, and the planned separation of the consumer business. Adjusted Free Cash Flow is a non-GAAP financial measure and reconciliations from GAAP financial measures can be found at the Company’s investor relations website at investor.theodpcorp.com.
Q&A