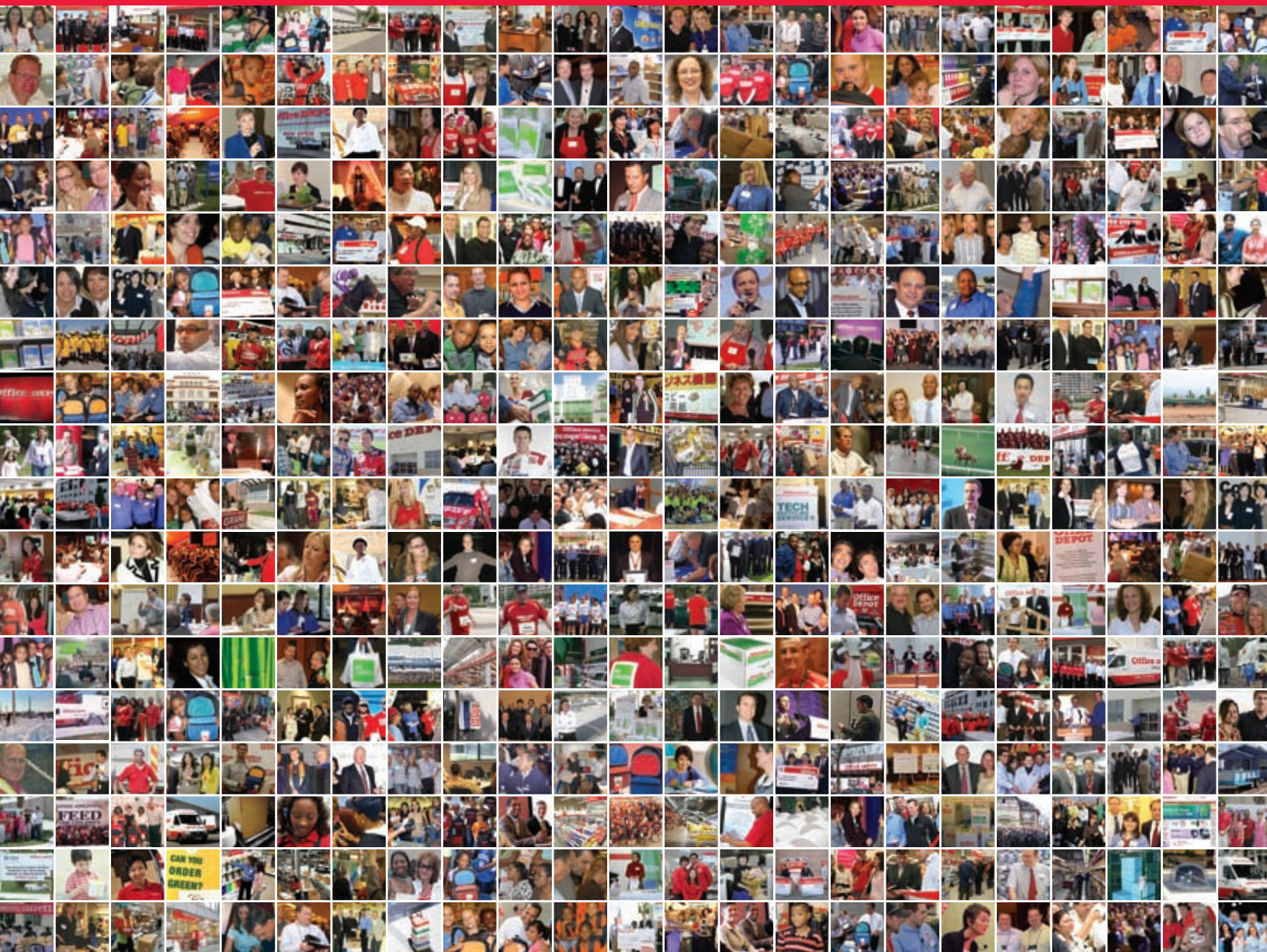


Office DEPOT®



Taking Care of Business, People and the Planet

Corporate Citizenship Report 2008

Taking Care of Business

Inspired by our Vision and Values in every action and decision.



18

New companies
added to Office Depot
Supplier Diversity
Program in 2007

1,515

Total overseas factory
inspections since 2002

100%

Compliance with Code
of Ethics training
requirement in the US

Taking Care of People

Investing in the communities we serve and the associates who fuel our success.



\$27,185,900

Total cash and in-kind donations
in 2007

2,229

Number of charities assisted by
the Office Depot Foundation

1,480,000

Backpacks donated to children
since 2001

This report is for all of our stakeholders, including customers, associates, shareholders, suppliers, governments, communities and environmental and non-profit organizations.

SCOPE OF REPORT

This report focuses on the ways in which Office Depot® demonstrates its commitment to Taking Care of Business, People and the Planet.

Taking Care of the Planet

Implementing a global strategy to Increasingly Buy Green, Be Green and Sell Green.



Buy Green

First major office products company to launch a dedicated global private brand of environmentally preferable products

Be Green

Absolute reduction of 9.6% in greenhouse gas emissions from transportation in the US

Sell Green

Estimated \$1.3 billion in total sales of environmentally preferable products represented in the 2007 Green Book in the US

Independent Reviewers' Report

To: the Board of Directors and Management
of Office Depot® Inc.

We have reviewed the selected quantitative performance indicators identified below and presented in the Office Depot Corporate Citizenship Report for the year ended December 31, 2007 (the "Report"). We did not review all information included in the Report. Office Depot management is responsible for collection and presentation of the indicators and information set out in the Report. A review does not constitute an audit and consequently we do not express an audit opinion on the selected quantitative performance indicators.

Scope

The selected quantitative performance indicators comprise the quantitative indicators highlighted in bold on pages 52 and 53. The selected quantitative performance indicators were chosen by Office Depot primarily on the basis of perceived external stakeholder interest. We did not review the narrative sections of the Report, except where they incorporated the selected quantitative performance indicators.

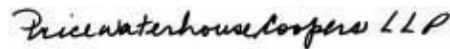
Methodology

Our review was made in accordance with the ISAE 3000 assurance standard developed by the International Federation of Accountants. As such we planned and performed our work in order to provide limited assurance with respect to the selected quantitative performance

indicators that we reviewed. Our review criteria were based on Office Depot management definitions and industry standards referenced in the Report. Our procedures included obtaining and evaluating evidence related to the selected quantitative performance indicators.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the selected quantitative performance indicators highlighted in bold on pages 52 and 53 of the Report are not presented in accordance with the relevant criteria, in all material respects.



PricewaterhouseCoopers LLP

Vancouver, British Columbia

November 5, 2008



Office Depot is committed to transparency in corporate citizenship reporting and is an organizational stakeholder of the Global Reporting Initiative (GRI). We referenced the GRI's G3 guidelines for this report, and self reported a C+ application level. To view our G3 Content Index and Application Level Table, Grid & Icon, please visit www.officedepot.com/environment.

Note on Third-Party Review:

As of October 2008, Office Depot remains the only major office products company to obtain independent third-party review of any data in its Corporate Citizenship Report. We focus primarily on environmental indicators as these are the most complex to accurately aggregate and report. We obtained review by PricewaterhouseCoopers (PwC) of the majority of our North American environmental indicators in reports we published in 2004, 2006, 2007 and now 2008. We are committed to third-party verification and plan to pursue external review of specific European environmental data as well in 2009.

As of October 2008, our major competitors in the office products industry still self-report, without independent verification of their environmental claims.

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GLOSSARY

Benelux

Belgium, Netherlands, Luxembourg

Certified Wood & Paper Products

Wood and paper, certified by a third party to come from "responsibly managed forests." Major third-party standards include the Canadian Standards Association (CSA), Forest Stewardship Council (FSC), Program for Endorsement of Forest Certification (PEFC) and Sustainable Forestry Initiative (SFI).

Chain of Custody

Mechanism to trace a product's path back to its original source.

EPA

United States Environmental Protection Agency

GHG

Greenhouse Gas – Refers to gases responsible for climate change, including carbon dioxide (CO₂).

Global Reporting Initiative (GRI)

International process to develop standardized, globally applicable sustainability reporting guidelines and indicators.

HUB

Historically Underutilized Businesses, including minority-owned enterprises, women-owned enterprises, disabled-owned enterprises, veteran-owned enterprises, and designated small businesses.

ISO 14001

International Standards Organization's standard for environmental management. Includes guidelines, processes and tools to help organizations minimize potentially harmful impacts on the environment and continually improve environmental performance.

LEED

Leadership in Energy and Environmental Design, a green building rating system created by the US Green Building Council.

Marketing Papers

Catalog and insert paper used to market Office Depot products and services to customers.

Pre-Consumer Recycled Content

Paper containing "pre-consumer recycled content" includes scrap and trimmings from the paper mill as well as paper products that were never used in the consumer market (e.g., returned magazines and newspapers).

Post-Consumer Recycled (PCR) Content

Paper containing "post-consumer recycled content" includes paper materials that have been through their intended life and would otherwise have been disposed of as solid waste. Post-consumer paper includes recyclables such as office paper, cardboard and magazines collected in commercial and residential recycling programs.

Recycled Materials

Recycled-content products (paper, plastic, metal) may contain pre-consumer content, post-consumer content or both. A product does not have to contain 100% post-consumer materials to be labeled "recycled." The higher the post-consumer recycled content, the more material diverted from landfills.

Renewable Energy Credits (REC)

An energy market mechanism created to encourage the generation of green power such as wind, solar and biogas. One REC represents one megawatt hour of energy generated and/or sold from a renewable energy facility. By purchasing RECs, an organization supports the generation of renewable energy.

Social Accountability

The practice of engaging direct import suppliers in bringing positive change to the working environment, focused on human rights and ethics.

SKUs

Stock keeping units. Industry term for discrete products.

Tier One Program

An Office Depot® initiative designed to develop a national network of independently owned Historically Underutilized Businesses to provide customers with solutions to their supplier diversity needs.

VOC

Volatile organic compound

Message from the Chairman and CEO



If you are at all familiar with Office Depot®, you have likely heard the phrase “Taking Care of Business” more than a few times. Initially adopted by our Company as a marketing slogan, these words have taken on a more expansive meaning during the years. Today, “Taking Care of Business” truly characterizes our corporate philosophy – applying not only to the way we serve our customers, but also to our fundamental approach to achieving success as a Company.

“Taking Care of Business” also has inspired two important directions that reflect our Company’s Vision and Values: Taking Care of People and Taking Care of the Planet. In this 2008 Office Depot Corporate Citizenship Report, we explore all three topics as we discuss our 2007 accomplishments in such critically important areas as corporate governance, ethical behavior, supplier and workforce inclusion, philanthropy, community investment and environmental stewardship.

We were pleased by our achievements in 2007, when we were listed for the third consecutive year as one of the 100 Best Corporate Citizens by *Corporate Responsibility Officer* (CRO, formerly *Business Ethics*), named one of the top companies for female professionals in the United States by the National Association for Female Executives (NAFE), and recognized once again by the Women’s Business Enterprise National Council (WBENC) and DiversityBusiness.com for our support of women’s and minority business enterprises. Furthermore, Office Depot’s continuing commitment to environmental stewardship was acknowledged worldwide.

As in previous years, however, success will not cause us to be any less vigilant in our dedication to transparency, accountability and the desire for further improvement in all aspects of corporate citizenship. To this end, we have again provided much of the data in this report for external review by PricewaterhouseCoopers. And we continue to refer to the guidelines established by the Global Reporting Initiative (GRI) for direction on our report’s content and structure.

As you read our 2008 Office Depot Corporate Citizenship Report, we hope you will recognize the extent of our commitment to Taking Care of Business, People and the Planet. As always, your comments and suggestions are welcome at any time.

Sincerely,

Steve Odland

Chairman and Chief Executive Officer



Organizational Profile

Office Depot, Inc. is a global supplier of office products and services. Headquartered in Boca Raton, Fla., the company was incorporated in 1986.

In fiscal year 2007, Office Depot sold \$15.5 billion of products and services to consumers and businesses of all sizes through our three business divisions: North American Retail, North American Business Solutions and International. Sales are processed through multiple channels, consisting of office supply stores, a contract sales force, an outbound telephone account management sales force, internet sites, direct marketing catalogs and call centers – all supported by our network of crossdocks, warehouses and delivery operations.

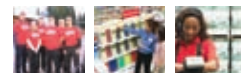
At the end of 2007, our North American Retail Division operated 1,222 office supply stores throughout the US and Canada. Including company-owned operations, joint ventures, licensing and franchise agreements, we sell office products through 397 retail stores outside North America. Office Depot sells to

customers in 43 countries throughout North America, Europe, Asia and Latin America either through wholly-owned entities, majority-owned entities or other ventures covering 35 countries, and through alliances in an additional eight countries.

We currently offer general office supplies, computer supplies, business machines and related supplies, and office furniture from national brands to our own private brands, which include Office Depot®, Niceday™, Foray®, Ativa®, Break Escapes™, Worklife™ and Christopher Lowell™.

Office Depot's common stock is listed on the New York Stock Exchange under the symbol ODP and is included in the S&P 500 Index.

As of January 26, 2008, we had approximately 49,000 associates worldwide, with almost half of these employed as part-time workers.



Preface

Taking Care of Business...

On the face of it, the concept is simple.

Cross your t's... Dot your i's... maintain a positive cash flow. Do things the right way, and everything will fall into place.

But as anyone doing business in the 21st century knows, there's a lot more to it. Fundamental principles have to be followed, of course. But that is only the beginning.

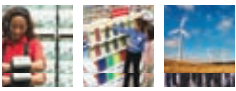
Since our Company was founded in 1986, the phrase "Taking Care of Business" has become synonymous with Office Depot. Yes, it's a highly recognizable marketing phrase – but it's also a way of life. Dig deeper, and you'll find that

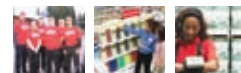
Taking Care of Business is about much more than dollars and cents. It's about ethics, integrity and accountability. It's about 49,000 associates and countless customers around the world. It's about giving back to the community. It's about being responsible to our environment.

In this 2008 Corporate Citizenship Report*, we will elaborate on Office Depot's strong commitment to Taking Care of Business, Taking Care of People and Taking Care of the Planet. You will see how the way we work and the successes we achieve serve to reinforce the Vision and Values at our Company's core. We think it's a compelling story – and one that we are proud to tell.



*The 2008 Office Depot Corporate Citizenship Report – the third annual publication of its kind – examines calendar year 2007. Office Depot previously published Corporate Citizenship Reports for the years 2004-2005 and 2006. The 2006 report was distributed in September 2007. For questions regarding this report or its contents, please contact mediarelations@officedepot.com.





Taking Care of Business

“Office Depot is a global business – with one Vision and one culture around the world.”

Steve Odland, Chairman and Chief Executive Officer

At every level and in every corner of our Company, our success at Taking Care of Business depends on how true we remain to our Vision and our Values.

Our Vision – “Delivering Winning Solutions That Inspire Worklife™” – is familiar to our associates in all 43 of the countries in

which we conduct business. Our Values – Integrity, Innovation, Inclusion, Customer Focus and Accountability – empower us to realize our Vision. They are our DNA, our spirit and our essence. They are our conscience – and the foundation for our achievements.

Together, our Vision and Values guide us in the way we think, the way we act and the way we make decisions – whether focused externally on our customers, vendors and suppliers or internally on the way we govern our Company and uphold the highest ethical standards and business practices.

Office Depot Vision: **Delivering Winning Solutions That Inspire Worklife™**

Delivering

Our actions speak louder than words. We do what we say we're going to do – efficiently and on time.

Winning

We are determined to win. We constantly push ourselves to greater heights – and refuse to settle for anything less than being the best.

Solutions

We listen to our customers and understand their needs – giving them confidence that they can depend on us for the products, services and innovative thinking they need to achieve success.

Inspire

We channel our creativity in pursuit of our goals; our motivation and enthusiasm inspire others to succeed.

Worklife™

We combine our energy for work with our passion for life. We share the desire to maximize potential and achieve personal dreams.



Customers, Vendors and Suppliers

At Office Depot, we place equal importance on our relationships with the customers who buy our products and services as we do with the myriad of firms, both large and small, that supply what we offer to those customers and what we use to power the daily operations of our Company.

Our commitment to our customers represents much more than ringing up purchases or delivering online orders. We seek to understand the role we play in their lives and their respective businesses. We give them the tools they need to get the job done right and the information to make smart decisions. We are dedicated to helping our customers take care of *their* business.

But providing top-quality products, essential services and innovative solutions is not the only way we help businesses – and in particular, small businesses – grow.



2007 Women's Association Partners

Association of Women's Business Centers

Business Women's Network

Center for Women's Business Research

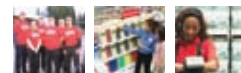
eWomenNetwork

Global Summit of Women

National Association for Female Executives

National Association of Women Business Owners

Women's Business Enterprise National Council



Women's and Multicultural Initiatives

Office Depot clearly recognizes that each of our customers is unique – even if they share many common characteristics. In keeping with our value of Customer Focus, we continually seek to develop and nurture relationships with businesses owned by women, Hispanics, African Americans and other diverse groups. Our interactions transcend selling and buying as we seek to connect with these customers on a personal level, understand their needs and influence their business environment in positive ways.

Women's Initiatives

For the seventh consecutive year, Office Depot engaged women entrepreneurs and executives in our highly successful Success Strategies for Businesswomen Conference – but with a twist. Following six years of sold-out conferences in South Florida, we expanded the 2007 conference to six cities, including Orlando, Dallas, Orange County, Chicago, Philadelphia and Washington, D.C. Each one-day

symposium featured informative sessions, matchmaking opportunities, innovative best practices and an interactive EXPO. Nearly 2,000 women participated in the conferences, which shared the theme of “Branding Yourself for Unstoppable Success.” Continuing a tradition of giving back, local Dress for Success affiliates in each city benefited from a variety of fundraising activities that took place during each of the Success Strategies Conferences.

Office Depot's focus on women continues on a year-round basis through active involvement with leading women's associations, which lend their insight and expertise to our Company's efforts while providing opportunities to build longstanding, mutually beneficial relationships. At the same time, we are guided by a 14-member Women's Advisory Board composed of a number of nationally respected businesswomen. Taken as a whole, our women's business initiatives helped lead to our recognition

– for the third time – by the National Association for Female Executives (NAFE) as one of the top companies for female professionals in the US.

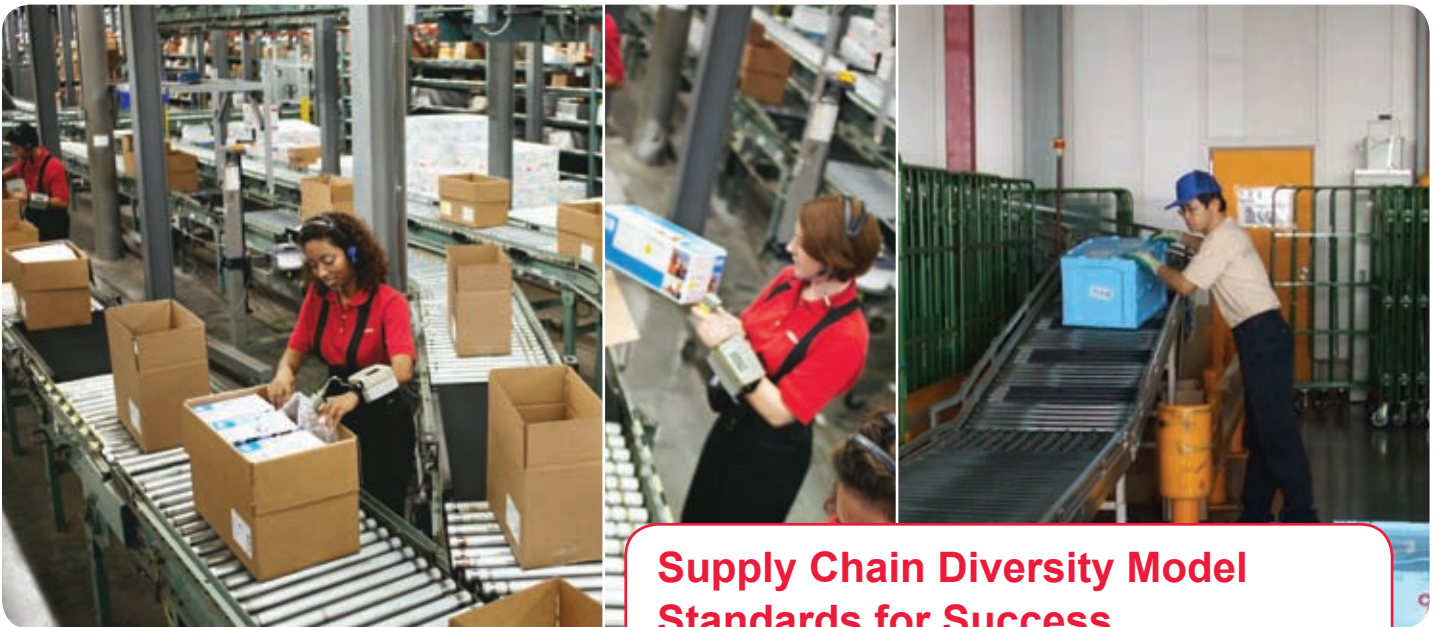
Multicultural Initiatives

Hispanic and African American entrepreneurs are demonstrating unprecedented success – opening new businesses at two to three times the pace of Caucasian-owned businesses. Office Depot's own efforts to serve the needs of these rapidly growing business segments include growing participation with the US Hispanic Chamber of Commerce, the National Black Chamber of Commerce, the National Newspaper Publishers Association (also known as the Black Press of America) and other multicultural associations. In recognition of our accomplishments, *Hispanic Network Magazine* named Office Depot one of its Best Retailers & Manufacturers in 2007.



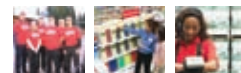
“Office Depot is a leader in its commitment to women in business and in its ability to consistently break down barriers that impede Women’s Business Enterprises from gaining fair access to procurement opportunities.”

Linda Denny, Interim President, Women’s Business Enterprise National Council (WBENC)



Supply Chain Diversity Model Standards for Success

- Enhance capabilities of HUB suppliers
- Expand the capacity of HUBs to compete more effectively
- Increase turnover of all HUB products
- Leverage efforts with other corporations to create large-scale HUB opportunities
- Increase market reach and density
- Increase purchases from HUBs
- Reduce buying costs of doing business for all suppliers



Supply Chain Diversity

Through Office Depot's industry-leading, multi-dimensional approach to small business development, our Supply Chain Diversity Program assists Historically Underutilized Businesses (HUBs) in building community, business and customer relationships that inspire organizational growth and empowerment.

Office Depot is proud to offer the most comprehensive supply chain diversity model of its kind. We actively seek out promising HUBs, which include Certified, Minority, Women, Disabled, Veteran, and Small [SBA 8(a), SDB, and HUB Zone] enterprises to ensure equal opportunity in our supplier selection process.

In nearly a decade of active encouragement of supply chain diversity, Office Depot has garnered numerous accolades both for the Company and for individual members of our team. In 2007 alone:

- The Women's Business Enterprise National Council (WBENC) named Office Depot as one of just 16 companies on its annual listing of America's Top Corporations for Women's Business Enterprises. It was the sixth consecutive year that Office Depot received this honor.
- Office Depot was listed by DiversityBusiness.com as being among the Top 50 of America's Corporations for Women and Minority Business Enterprises – for the seventh year in a row.

- *Hispanic Network Magazine* honored Office Depot as one of its Best Companies for Supplier Diversity.
- Robert McCormes-Ballou, Director of Merchandising, was honored as a Top Diversity Advocate by DiversityBusiness.com, while Shari Francis, Manager of Vendor Development, was named a Champion of Diversity by *Diversity Plus Magazine*.

A number of individuals from Office Depot serve in leadership roles with national and regional professional organizations, including the Women's Business Enterprise National Council (WBENC), the National Minority Supplier Development Council (NMSDC), the Canadian Aboriginal Minority Supplier Council (CAMSC), the Florida Minority Supplier Development Council (FMSDC), the Florida Regional Minority Business Council (FRMBC), the Central and South Texas Minority Business Council (CSTMBC), the Georgia Minority Supplier Development Council (GMSDC), the Women's Business Development Center of Florida (WBDC-FL), and Diversity Information Resources.

We also make it possible for small business owners to take advantage of important growth opportunities by offering annual scholarships to attend such programs as the WBENC and NMSDC annual conferences, NMSDC's Advanced Management Education Program at Kellogg School of Business and the WBENC Advanced Management Program.

Office Depot's rise to prominence in supply chain diversity is the result of an approach that is, appropriately enough, remarkably diverse. The program encompasses three dimensions – Vendor Diversity, Supplier Diversity and Tier One.

Vendor Diversity

The Office Depot Vendor Development Team is committed to satisfying our customers' needs and exceeding their expectations by offering the highest quality products at the lowest delivered cost, while fulfilling their diversity purchasing needs. Key strategies used to accomplish these goals include seeking out HUBs through vendor fairs and tradeshows; offering HUBs an equal opportunity in the Office Depot vendor selection process; forming partnerships with diverse businesses and HUB member organizations; marketing HUBs to provide them with national exposure and high visibility through Office Depot's catalogs, www.officedepot.com and various diversity magazines; and empowering HUBs by raising their capabilities and making them the best source from which to buy.

Supplier Diversity

The Office Depot Supplier Diversity Team works to provide opportunities for qualified, competitive small businesses as well as women- and minority-owned businesses to supply goods and services used internally by Office Depot in our stores, offices, supply chain facilities and so on. This far-reaching program, which operates under the Global Procurement



“Being WBENC-certified has opened doors – and Office Depot has done a great job in getting us in front of the buyers. We are very willing to invest in making this relationship as good as it can be. It’s very positive.”

Kaarina Kvaavik, Co-Owner and Chief Business Officer of ABLE Innovations

Solutions umbrella, ensures that diverse companies are invited to participate in Office Depot requests for proposals (RFPs) and given the opportunity to meet and get to know our Company’s purchasing decision-makers. One of the most successful aspects of this process continues to be our Matchmaker Program, through which companies were invited to introduce themselves and build relationships in sessions at our Global Headquarters in Florida, and through six regional events held in conjunction with the Office Depot Success Strategies for Businesswomen Conference.

Tier One

The goal of the Office Depot Tier One Program is to develop a national network of viable, independently owned HUBs that provide customers with a legitimate and viable solution to their supplier diversity needs. Office Depot’s Tier One Program stands apart from our competitors’ efforts due to the mentor-protégé support we provide our partners. This benefit allows for training and development of our Tier One partners that leads to their long-term growth and economic viability. By combining world-class E-commerce, distribution and product assortment capabilities, we give our Tier One partners a superior position in the marketplace and maximum opportunity for profitable growth by providing products, order fulfillment and a shared services package (customer service, sales and marketing support, etc.) that positions them for success.

2007 Supply Chain Diversity Milestones

\$535 million in sales from over 1,000 items from HUB vendors

\$3 billion+ in HUB sales since 1999

25% increase in spending with HUBs through Global Procurement Solutions (\$52.5 million compared to \$42 million in 2006)

18 new companies added to Supplier Diversity Program

10 Tier One partners at year-end, including the first two women-owned companies in the program

\$68 million in Tier One partner sales (up from \$48 million in 2006)

Active participation in 11 regional and national Supply Chain Diversity events sponsored by WBENC, NMSDC, CSTMBC, FRMBC, FMSDC, GMSDC, CAMSC, DiversityBusiness.com, the Institute for Supply Management and Diversity Information Resources

2007 Supply Chain Diversity Event Sponsorships

Florida Regional Minority Business Council Expo and FAMBEQ Training

Women’s Business Enterprise National Council Gala

DiversityBusiness.com Sixth Annual Multicultural Business Conference

Canadian Aboriginal & Minority Supplier Council Procurement Fair

Institute for Supply Management’s 92nd Annual Conference

National Minority Supplier Development Council Dinner Dance

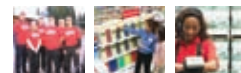
Women’s Business Enterprise National Council Women in Business Expo

Diversity Information Eighth Annual Best Practices in Supplier Diversity Seminar

Florida Minority Supplier Development Council Expo

Canadian Aboriginal & Minority Supplier Council Business Awards Dinner

National Minority Supplier Development Council Expo



Governance and Ethics

"A guiding principle at Office Depot, Inc., is that all business should be conducted with uncompromising honesty and integrity. We feel this guiding principle has contributed to our success, and is important to our customers, associates, investors, vendors, and regulators. Therefore, it is our responsibility to live up to the expectation that every Office Depot associate does the right thing every day."

Office Depot Code of Ethical Behavior and Corporate Compliance Policies and Procedures



Our commitment to respecting and adhering to our Company's Values underlies every aspect of the way we conduct business at Office Depot. Our Values are evident in the policies that govern all of our associates, senior management and our Board of Directors. The relationships we build and maintain with our network of vendors and suppliers around the world reflect the highest ethical standards.

External validation of our 2007 accomplishments in such areas as governance and human rights, climate change, environment and other critical measures came once again through our inclusion, for the third straight year, on the list of 100 Best Corporate Citizens compiled by **Corporate Responsibility Officer** (CRO). Such recognition is especially gratifying given the exceptionally complex and challenging nature of managing a \$15.5-billion global company.



5,794

individuals completed
Code of Ethics training
(100% of target)
in the US

604

individuals completed
FCPA training
(98% of target)

Corporate Governance

As in previous years, Office Depot prided itself on compliance with the most widely accepted standards for governance practices of public companies based in the United States. These include:

Board Independence

Our Board of Directors is comprised of 12 directors, all of whom are independent directors, per New York Stock Exchange guidelines, and have no material relationship with Office Depot, other than the CEO.

Board Committee Independence

All Board members who serve on our Audit, Compensation, Corporate Governance and Nominating Committees are independent directors, as required by the New York Stock Exchange. In addition, the Chairman of the Board's Audit Committee qualifies as an "audit committee financial expert" within the meaning of applicable regulations of the United States Securities and Exchange Commission.

Governance Practices

Office Depot is committed to maintaining an independent Board that is responsive to our shareholders. Our Board regularly meets in executive sessions that are not attended by our CEO. These private sessions are presided over by our Lead Director. Under the leadership of our Corporate Governance Committee, our Board engages in an annual self-evaluation for the purpose of improving its performance.

Ethical Behavior

Office Depot continued to make progress toward global dissemination of our Code of Ethical Behavior and Corporate Compliance Policies and Procedures in 2007. Already available on our Company intranet as well as our external website in the US, www.officedepot.com, the Code was translated into 10 languages and distributed internationally and to all salaried associates in our Business Solutions Division and at our Global Headquarters, as well as to all retail and supply chain managers and above.

In addition, we focus on the US Foreign Corrupt Practices Act – which seeks to eliminate kickbacks, bribes and other improper business practices. Training at the director level and above was rolled out internationally.

Private Brand/Supplier Compliance

As Office Depot private brand products grow in both number and variety with each passing year, so too does our Company's commitment to ensuring that our supplies are manufactured responsibly. Building on the previous success of our social accountability programs, which began in 2002, Office Depot continued to inspect overseas factories where such products are made.

The primary goal of our inspection program is encouragement to rise to the commonly accepted standards of more highly developed systems. We focus on the prohibition of forced labor and child labor, compliance with local laws and regulations (including those for working hours), requirements for wages

and benefits, the development of non-discrimination policies and the guarantee of a safe and healthy working environment.

Office Depot took an important step forward in this regard last year by opening a global sourcing office in China. Incorporating a dedicated vendor compliance office with our own – rather than third-party – auditors, this new arrangement enables us to be "closer to the ground." Not only can we screen and identify factories that are already doing a good job before we begin to work with them, but we can also respond immediately to issues that may arise with existing suppliers.

We hosted a conference for our vendors in China once again in 2007, providing both education and recognition of their efforts to raise the bar. And, with an eye toward the future, work was begun on an update to the Office Depot Supplier Code of Conduct, which was expected to result in the introduction of a new, broader set of Supplier Guiding Principles that will enable firms to do business with Office Depot around the world.

“The Office Depot Compliance Auditing program has been quite valuable in helping us establish programs that benefit the welfare of our employees. Investments such as improved housing, employee training, work rotation programs, safety training and paying higher wages have all contributed to our years of increased employee retention rates. We recognize that by having a skilled and experienced workforce there are gains in productivity, an ability to change quickly and produce items that are more challenging in design compared to our competitors.”

Mac Smith, Chief Operating Officer, True Seating Concepts

Factory Inspections – 2006 vs. 2007

	2006	2007	Increase	Total since program inception in 2002
Total Audits	391	387	-4	1,515
Initial Audits	198	133	-65	750
Follow-Up Audits	193	254	61	765

Factory Inspections – 2007

Grade	Initial Audit	Re-Audit	% Change
Zero Tolerance	3.87%	2.58%	-33%
Needs Improvement	29.19%	50.90%	74%
Satisfactory	1.55%	5.42%	250%



Taking Care of People

“Office Depot takes great pride in the difference we make in our communities and the investment we make in the associates who enable us to accomplish our goals.”

Daisy Vanderlinde, Executive Vice President, Human Resources, Office Depot



It might be a new backpack for a child whose family can't afford one. It could be a class in Microsoft Excel, an internship for a business student, or even a f u shot.

Office Depot cares about the communities we serve and the people who work for our Company in more ways than you can

count – and in some ways you might not expect. They range from the philanthropic initiatives of the Office Depot Foundation™ to programs that enable our customers to support local schools; from efforts to enhance the diversity of our workforce to a “one-stop shopping” approach for benefits information.

Drawing inspiration from our Vision and Values, the Office Depot family reaches out to those in need – and pulls together to focus on our own. Clearly, Taking Care of People and Taking Care of Business go hand-in-hand.



Taking Care of Our Communities

As Office Depot has evolved from a single store in Lauderdale Lakes, Fla., to a Company with interests around the globe, we have always been concerned about our communities. In recent years, our Company has moved rapidly and purposefully into the ranks of the most highly respected corporate citizens.

In 2007, we took a bold new step on this journey by greatly expanding the identity, role and scope of the independent, non-profit Office Depot Foundation. At the same time, we continued to invest in a number of Company-sponsored programs designed to benefit children, families and educational institutions – from kindergartens to colleges and universities.

The Office Depot Foundation

Today's Office Depot Foundation was born out of the devastation of Hurricane Andrew, which severely impacted the Company's South Florida-based associates and surrounding communities.

Established in 1994 as the independent, non-profit Office Depot Disaster Relief Foundation, the organization primarily provided interest-free loans to associates who had incurred a catastrophic loss.

While this mission was valuable and important, there was a desire to address larger issues. And so last year, the Foundation entered a new era by adopting a new mission statement – Listen Learn Care™ – and taking on responsibility for five strategic priorities that embody the Foundation's commitment to making a difference around the world.

Known collectively as the "5 X 5 Program™," these priorities represent the Foundation's primary focus for the next five years. They include:

- **Helping children get ready for life and work**

Motivated by the fact that roughly 30% of all US students do not graduate from high school on time, and that by

the time they are 30, high school drop-outs earn on average 20% less than high school graduates, we will seek to help 50,000 at-risk children in 50 states get the tools and support they need to graduate high school and either get an advanced education or find a meaningful job.

- **Helping civil society (non-profit) organizations become more professional and productive**

Recognizing the incredible growth in the number of civil society (non-profit) organizations – more than 1 million today vs. 250,000 in 1980 – and the need that many such organizations have for improving their business practices, we will endeavor to help 5,000 civil society organizations to get tools and support to increase their capacity to fulfill their missions.

- **Promoting global development**

With the understanding that a lack of

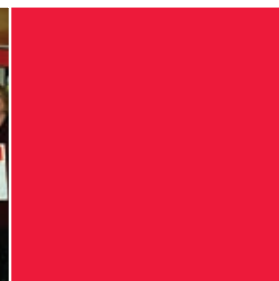
The Office Depot Foundation: Words Into Action

Listen – We demonstrate and advance the Values of Office Depot and its associates as we continually seek out ways to serve our neighbors, communities and the world at large.

Learn – We do our homework, probing beyond the obvious in search of innovative, collaborative and sustainable solutions to pressing issues and concerns.

Care – We invest in worthwhile initiatives and make targeted grants with understanding and compassion – looking not just for immediate results, but also for far-reaching, long-term impact.





education and infrastructure, negative attitudes, ignorance of private enterprise and free markets, and prevalence of corruption affect the feasibility of direct investment, we seek to promote entrepreneurship, economic and community development programs to help improve economic and social conditions around the world.

- **Enhancing disaster relief and recovery**

Taking a fresh perspective with respect to traditional disaster relief practices – and recognizing that recovery must be a core part of the national disaster response process – we will assist local communities in the wake of hurricanes, tornadoes, wildfires, earthquakes and the like – and will continue to be involved through the rebuilding process.

- **Strengthening local communities**

Acknowledging that every community has individual needs resulting from its own unique set of challenges and opportunities, and that building positive local relationships and goodwill strengthens our ability to assist communities with the achievement of their goals, we strive to enhance the quality of life and provide opportunities to deserving children and families at a local level.

In this first full year of our expanded mission and priorities, the Office Depot Foundation was able to accomplish a number of extremely significant goals.

- **National Backpack Program**

The 300,000 backpacks containing

essential school supplies that were given away in 2007 brought the number donated since the program began in 2001 to nearly 1.5 million. Hundreds of non-profit organizations and schools received backpacks through Office Depot stores, during community events in more than 25 cities across the United States and Canada and as a result of partnerships with the National Court Appointed Special Advocates (CASA) Association, Communities In Schools, Feed The Children, the Kids In Need Foundation and the National Foundation for Women Legislators (NFWL). The donations included 10,000 backpacks in Greater New Orleans – making it possible for every child in grades Pre-K through 5 to go to school in September 2007 with a new backpack.

- **Weekend in Boca**

In partnership with the Business Civic Leadership Center (BCLC) of the US Chamber of Commerce and the international consulting firm AccountAbility, the Office Depot Foundation assembled approximately 45 senior civil society organization executives, government officials, Chamber of Commerce leaders and others from across the United States in Boca Raton, Fla. The program included the “Corporate Community Investment Forum: South Florida,” which was led by BCLC, and the “Civil Society Leadership Symposium,” facilitated by AccountAbility. Key questions considered during the three-day retreat included, “How can business, government and the civil

society sector work together most effectively to spur community development?” and “What are the key issues facing civil society organizations in the 21st century – and what leadership strategies are required to address these issues successfully?” At year-end, a white paper analyzing the findings was being prepared for release in 2008.

- **Disaster Relief and Recovery**

When wildfires ravaged Southern California in late 2007, the Foundation made several donations to assist with the immediate relief efforts, but also adopted a longer view. By contributing \$15,000 to the BCLC Business Disaster Assistance and Recovery Program, we made it possible for BCLC to organize a national team of experts to help benchmark the damage and identify critical requirements for the recovery process, as well as to deploy an experienced disaster recovery team to provide recovery support services for the local business community – including establishment of a “help desk” accessible via a toll-free number. Both of these initiatives were widely praised for playing a key role in moving the recovery process forward.

- **Support at the Local Level**

When Office Depot opened a new crossdock facility in Jackson, Miss., in April 2007, the Office Depot Foundation celebrated the occasion by contributing \$5,000 to the United Negro College Fund for support of Tougaloo



"The 5% Back to Schools program is a win-win for everyone – parents, students, and schools. It's a simple program, only requiring parents to ask the associate to credit the school of their choice!"

Mira Costa (Calif.) High School, which earned over \$2,000 in 2007



College in Jackson, donating 1,000 backpacks to the Jackson Public School District and making gifts to several other non-profit organizations. The donations paralleled the Foundation's practice of giving \$500 and 25 backpacks to three local charities in conjunction with the opening of each new Office Depot retail store in 2007. Meanwhile, hundreds of other organizations received donations to assist them in accomplishing their missions – meaning that somewhere, in some way, the Office Depot Foundation was making a difference every day.

Investing in Communities and Schools

Complementing the work of the Office Depot Foundation are a number of programs and initiatives that benefit communities – and particularly children – locally as well as globally.

University Relations

Thanks to two Office Depot gifts (in 2006 and 2007) totaling \$2.8 million along with an equal amount in state matching funds, the Barry Kaye College of Business at Florida Atlantic University (FAU) in Boca Raton, Fla., broke ground on the new Office Depot Center for Executive Education in June 2007. Office Depot also gave FAU an enterprise-level Siemens HiCom phone and voicemail system valued at approximately \$52,000.

Late in the year, Office Depot began work to launch a corporate summer internship program, which sought to utilize current Office Depot relationships with the University of Florida, Florida Atlantic University, Florida International University

and the University of Miami to recruit internship participants.

The Company continued to support organizations such as the United Negro College Fund, Hispanic Association of Colleges and Universities, Students in Free Enterprise and the Opportunity Funding Corporation, which underscored our commitment to increase the diversity of our candidate pools. And we are actively engaged in such programs as the Black Executive Exchange Program of the National Urban League (BEEP), which allows companies to loan African-American executives to participating HBCUs (Historically Black Colleges and Universities) as "Visiting Professors."

Primary and Secondary Education

Recognizing the vital role that teachers and schools play in educating our children and preparing them for future success, we continued to make a difference in 2007 through Office Depot's Star Teacher and 5% Back to Schools programs.

Close to half a million teachers participated in our Star Teacher program, where rewards are granted on qualifying purchases and an instant 15% discount is given on in-store Design, Print & Ship Depot services. They also received special offers and had access to discounts with a variety of Office Depot partners. Teachers were celebrated during National Teacher Appreciation Week in May and in other ways throughout the year, including the 14th annual Teacher Appreciation Breakfast, which was held in all North American retail locations in the weeks before school started.

Meanwhile, schools across the United States and Canada received millions of dollars in credits for future purchases in the seventh year of our 5% Back to Schools program. Participating schools receive an ID number that parents, teachers and other customers provide when making qualifying school supply purchases at Office Depot. An amount equal to 5% of the purchases is later credited to each school – giving it vital assistance in stretching the budget.

People Around the World

Increasingly, our Company's philanthropy is becoming more global. Last year in Spain, Office Depot regularly donated products and supplies to Ademo, an organization that serves children with disabilities in Madrid. In Israel, we donated furniture and office supplies to the non-profit organization Or Shalom, which takes care of children who have been removed from their families by court order. We have also supported another non-profit, ALE, by selling hand-made products created by the children it serves; and have donated the proceeds from the sales of a unique marker pen product to Gdolim me' Hahaem, an organization that helps children with cancer.

Back in the US, Office Depot associates helped build a Habitat for Humanity house in Delray Beach, Fla. – and we donated a complete office furniture collection to the local Dress for Success affiliate in each city where the Office Depot Success Strategies for Businesswomen Conference took place.

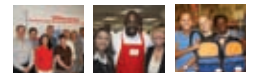


Taking Care of Our Associates



Office Depot's Values guide us as we take care of business for our customers, but they also provide us the inspiration to focus inward on the associates who make our Company an excellent place to work. We pursue a variety of important goals in these areas through multidimensional benefits and wellness programs, training and professional development opportunities, recognition for our associates and recruiting efforts designed to foster inclusion in our workforce.

Office Depot frequently creates and fine-tunes these initiatives with input and feedback from associates throughout the Company. For example, health assessment surveys provide guidance regarding planning for future programs. And, on a broader scale, a company-wide Associate Engagement Survey was planned and implemented in 2008. To ensure participation, it would be translated into more than a dozen languages.



“Office Depot’s commitment to helping associates and their families improve and manage their health ... is reflected in everything from tools and technology to help employees assess their degree of healthiness to innovative programs focused on improving and maintaining healthy lifestyles to technology that enables easy access to healthcare information and resources to encourage healthy, informed decisions. Job well done!”

Phillip A. Merdinger, Worldwide Partner, Mercer

Benefits and Wellness Programs

Before last year, Office Depot associates in search of benefits and wellness information might have found it necessary to look in a variety of places – but not anymore. During 2007, the Company launched www.myODBenefitsPlus.com – a single-stop, interactive benefits web portal where full-time US associates can find out details about their own healthcare benefits and coverage, check the status of their retirement funds, access information to help families manage work and life events, and much more. During 2008, access to the portal will be expanded to part-time associates as well as to Office Depot associates in Canada and Puerto Rico.

The Company also encouraged associates to incorporate healthy practices into their personal and work lives by distributing “It’s Your Health,” a 2008 calendar full of tips and associate success stories about weight loss, marathon-running and even boxing. Associates also received “A Year of Healthy Hints” (a self-help book that offers 365 practical health hints), could enroll in workshops and educational programs and, in a number of locations, had access to free flu shots, diabetes screenings and nutritional education. These enhancements enabled Office

Depot to continue a company-wide commitment to health and wellness by educating our associates to be better health care consumers.

Training, Leadership and Recognition

Relying on the status quo is rarely the way to get ahead. Office Depot acknowledges this fact of corporate life by providing a wide array of education and professional development for associates at all levels. Training is offered in important business skills and specific software systems that support Company operations. The training programs take advantage of new interactive technologies and are offered in multiple languages to reflect Office Depot’s global scope.

In the realm of leadership, every new director and officer at Office Depot attends a three-day session that focuses on our Company’s culture of accountability and drive to be solutions-oriented. In addition, we employ a specialized assessment tool known as Insights® to assist in communication and cross-functional collaboration. Insights is included in several of our training/development courses and can also stand alone as a team-building program.

Also in 2007, planning began for an advanced leadership development program in conjunction with the Office

Depot Executive Education Center at Florida Atlantic University. Intended for mid- to upper-level management, the topics will range from financial management to inspiring leadership and building a high-performing team.

Outstanding associate performance is recognized through five distinct programs worldwide. These include awards for years of service, recognition for going “above and beyond the call,” innovation, leadership in supporting the Company’s Vision and Values, and sales success.

Workforce Inclusion

When we describe the concept of “Inclusion” – one of Office Depot’s core Values – we focus on respect for the diverse thoughts, beliefs, backgrounds, cultures and energies of all of our associates. We are strongly committed to enhancing the diversity of our workforce and, in 2007, took a number of important steps in support of this goal – including assembling a new strategic staffing team to focus on expanding our efforts.

Initial steps included increasing our Company’s presence by establishing a relationship with DiversityWorking.com, which ensures that every job opportunity posted on www.officedepot.jobs also appears on this highly trafficked website. Similar efforts were explored to reach

Office Depot UK

was honored with the first-ever Training Initiative of the Year Award from *Safety and Health Practitioner* (SHP), the official magazine of the Chartered Institution of Occupational Safety and Health. The SHP Awards encourage and recognize genuine good practice and achievement in training employees to engage in a safe work environment.

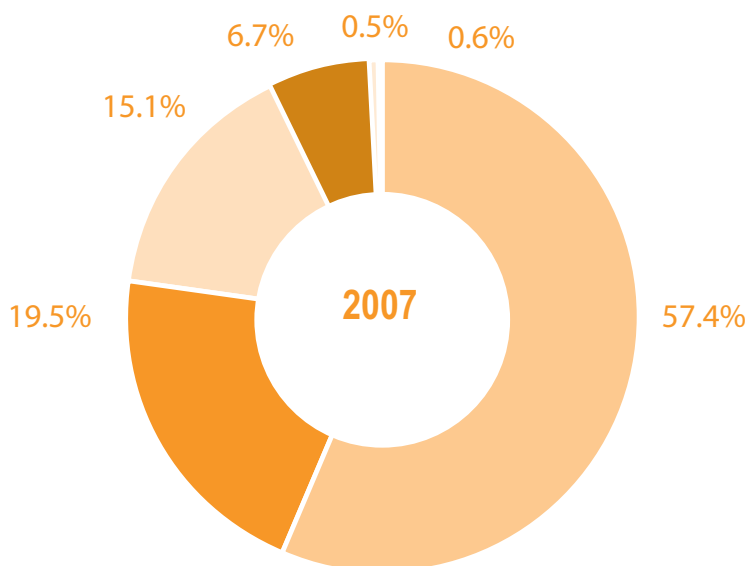


veterans by providing them with access to all Office Depot jobs through VetCentral (www.jobcentral.com/vetcentral). We made plans to guide our hiring managers by providing access to tools and resources for reaching diverse candidates and we selected a new partner to assist us in increasing the diversity of our temporary and contract staff.

These proactive steps build on a long-standing tradition of workforce inclusion that has been consistently acknowledged. In 2007, Office Depot was recognized as one of *Hispanic Network Magazine's* Best Companies for Workforce Diversity. The National Association for Female Executives listed Office Depot among its top companies for female professionals for the third year.

At year-end, five of Office Depot's executive officers were women; the Board of Directors included four women among its members; and our Women's Steering Committee continued to support female associates by involving them in professional development and educational seminars and offering membership discounts to women's business associations.

Office Depot Total US Population



Caucasian	57.4%
African-American	19.5%
Hispanic	15.1%
Asian Pacific	6.7%
Native American	0.5%
Multi Racial	0.6%



Taking Care of the Planet



Just as we are committed to Taking Care of Business and Taking Care of People, so too is Office Depot committed to Taking Care of the Planet.

We recognize that no organization or individual can ever be completely “green” – as soon as a business activity begins, there is an environmental impact.

However, under our global environmental vision to increasingly buy green, be green and sell green, we continue to implement innovative initiatives to lower our environmental footprint and help us increasingly take care of the planet.

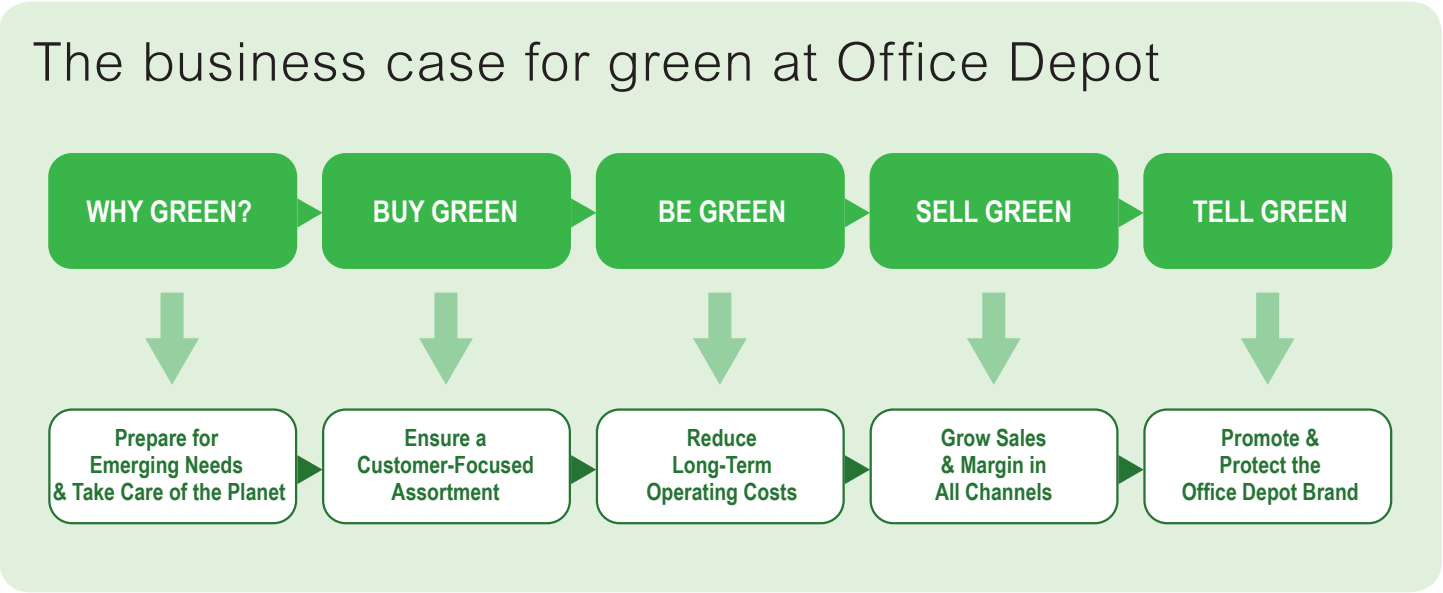


Why Green?

The Business Case

Each aspect of Office Depot's global environmental strategy supports a business priority and aims to drive long-term economic value. Each pillar of our environmental program supports a business priority. Each dimension of this business case can be further broken down into specific strategies, initiatives and

objectives, all of which are critical to the economic well-being of our Company. Ultimately we believe green is both sustainable and profitable.





Why Green?

“Materiality”

A core concept in sustainability is “materiality.” This means asking “what are the most ‘material’ or ‘significant’ environmental impacts we have as a company, and where are they most significant?”

At Office Depot we have determined materiality in three ways:

1. Working with various stakeholders, including environmental activists, customers and conservation groups to define what is most material to them.
2. Considering which aspects of our business operations result in the most significant environmental impacts.
3. Determining how we can best reduce those impacts in the most cost-effective way.

Through this analysis, we have defined the following as the most material environmental impacts of our organization. Our focus is on North America because nearly 80% of our global business occurs there.

1. Paper and paper product sourcing:
As one of the largest resellers of paper in the world, we act as a bridge between forest companies and paper users. We consider Office Depot to be a major inf uencer in the global paper supply chain.
2. North American facilities: With over 1,200 stores in North America, we occupy well over 39 million square feet of commercial real estate, and a correspondingly significant carbon and solid-waste footprint.
3. North American distribution:
A significant portion of our revenue in North America is generated through our delivery business. As such, the fuel used to deliver products direct to customers adds up to a material carbon impact.



For these reasons of materiality, we have focused our environmental efforts in these three areas in North America. Our second focus region in terms of materiality is Europe, where we have an environmentally aware customer base and increased regulatory focus on environmental issues.

The environmental section of this report focuses primarily on our two most material regions and our most material environmental impacts. In the future, we will incorporate environmental information from additional countries in the Company’s global network.



Why Green?

Environmental Key Performance Indicators

It is a business truism that what gets measured gets managed. But an equally important truism is that metrics without ownership are unlikely to be managed effectively. Environmental Strategy is a very new function in the corporate world and as with any new corporate function, defining roles, responsibilities and ownership of metrics can be complex.

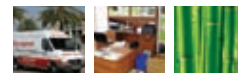
In 2007, Office Depot started aggregating our environmental performance indicators and aligning them to our environmental

vision to increasingly buy green, be green and sell green. We track performance against this vision through an Environmental Dashboard, which includes environmental Key Performance Indicators (eKPIs). This dashboard helps align business priorities with environmental objectives, and aligns strategies and initiatives with functions and indicators. Where possible, these indicators align to those defined by the Global Reporting Initiative (GRI).

Our performance against each eKPI in

this dashboard is detailed in the following pages of this report, and is summarized in the tables on pages 52 to 55. As the data reveals, we have not improved environmental performance on every metric between 2006 and 2007. However, our intention is to use this dashboard as a core tool to drive our environmental strategy globally. In so doing, we will continue to turn our aspirational goals – increasingly buy green, be green and sell green – into verifiable actions.

Vision	Initiative	Functional Owners	#	Environmental Key Performance Indicator (eKPI)	GRI
Increasingly Buy Green	Source greener office products for resale	Merchandising	1.0	Number of active SKUs with green attributes	EN26
	Buy marketing papers from certified “responsibly managed forests”	Print Production & BSD Marketing	2.0	Percent of marketing papers from certified “responsibly managed forests”	EN14
	Buy greener office products for internal use	Internal Procurement & Exec. Assistants	3.0	Green spend percentage, Global Headquarters	EN26
Increasingly Be Green	Reduce waste and recycle materials	Supply Chain, Facilities & Store Operations	4.0	Percent of materials recycled vs. landfilled	EN22
	Reduce energy and greenhouse gases from facilities	Construction, Facilities, IT & Supply Chain	5.0	CO ₂ emissions associated with facilities (Does not count offsets purchased)	EN16 EN18
	Reduce fuel and greenhouse gases from delivery of goods	Logistics & Transportation	6.0	CO ₂ emissions associated with customer & store delivery (Does not count offsets purchased)	EN17 EN29
Increasingly Sell Green	Deliver innovative green solutions for contract customers	BSD Marketing & Sales	7.0	Estimated total sales of products with green attributes	EN26
	Deliver innovative green solutions for direct customers	Direct Marketing			
	Deliver innovative green solutions for retail customers	Retail Marketing & Merchandising			
	Increase average post-consumer recycled content of paper products sold	Supplies Merchants	8.0	Average post-consumer recycled content of folders, boxes and personal care products sold	EN2
	Increase average post-consumer recycled content of cut-sheet paper sold & printed	Paper Merchants	9.0	Average PCR content of cut-sheet paper sold & printed	EN2
	Increase sales of cut-sheet paper from certified “responsibly managed forests”	Paper Merchants	10.0	Percent by weight cut-sheet paper sold from certified “responsibly managed forests”	EN14



Buy Green

Source Greener Office Products for Resale



5,200[†]

Estimated number of active SKUs with “green attributes” sourced by Office Depot for resale in North America

In Europe, where widespread environmental purchasing practices have been in place longer than in North America, we have offered a line of environmentally preferable products for years: Niceday Environment. Now, as environmental purchasing starts to accelerate elsewhere, we have introduced what will become our major global private brand of environmentally preferable products: Office Depot Green™. In 2007 we launched the first two products in this range: EnviroCopy 35% and EnviroCopy 100% post-consumer recycled content paper.

Additionally, we incorporated two innovative design principles into our packaging: simple icons showing the range of “green attributes”[†] of the product, and “shades of green,” representing

the level of “green-ness” of the product. Historically, “green” for office supplies has simply meant “recycled.” Green has also been considered binary: where a product is accepted as either “green” or “not green.” At Office Depot, we believe both of these historic assumptions are flawed, and have been the cause of much conflict in the green movement for years.

At the end of 2007 in North America, Office Depot had over 4,000 products containing recycled content – a thousand more than claimed by our closest competitor. We also had over a thousand more products with other green attributes, beyond recycled content[†]. We will continue to grow our assortment of products with the attributes and the shade of green desired by our customers.

4,300[‡]

Estimated number of active SKUs with “green attributes” sourced by Office Depot for resale in core European Markets: UK, Belgium, Netherlands, Luxembourg, Germany, Austria, Switzerland and France (some overlap between countries)

[†]Green attributes currently defined and tracked by Office Depot include: Recycled, Recycling solution, Responsible forestry, Rapidly renewable materials, Remanufactured, Refill/Reusable, Rechargeable, Reduced energy in use, Renewable power in use, Carbon-balanced, Reduced chemical exposure, Chlorine free bleaching, Bio-based/Biodegradable. These attributes will be reviewed on a periodic basis with key stakeholders and potentially updated.

[‡]This is simply a summation of SKUs with green attributes across these countries; it does not account for identical SKUs sold in multiple countries.



Buy Green: Buy Marketing Papers from Certified “Responsibly Managed Forests”

66%

Percent of marketing papers in the US independently verified (through chain of custody) to contain fiber from certified “responsibly managed forests” (by weight)

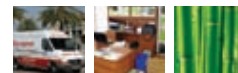


The never-ending question in the forest certification world has been “is FSC (Forest Stewardship Council) the only credible forest certification program?” Office Depot has had a long-standing position of accepting all of the main certification standards. Based on harvesting data from non-certified forests vs. forests certified to any standard, we know that some certification is almost always better than none. We have led our industry by encouraging suppliers of marketing (catalog, direct mail and insert) papers and cut-sheet papers to source fiber from certified forests. Our historic position has been that since under 10% of the world’s forests are certified to any certification program, we need to grow demand for “certified” fiber overall rather than FSC only.

In 2007, based on input from our partners in the Forest & Biodiversity Conservation Alliance, and discussions with Greenpeace and ForestEthics, we decided to give policy preference to FSC-certified papers – when all

other things (price, quality, service) are equal. This evolution can be illustrated by referring to the “shades of green” notion described on the previous page. FSC-certified products, based on our new preference, can be considered “green,” but paper from any other major forest certification programs is considered “light green.”

In 2006, 54% of the mills we sourced from sold us marketing papers with chain of custody certification. In 2007, we calculated that by total weight, 66% of our marketing paper purchased was from certified “responsibly managed forests.” In the UK, we are members of the World Wildlife Fund Forest & Trade Network. In 2008, we predict that over 25% of our marketing papers in the US will be FSC-certified, and almost 100% certified to one of the four forest certification programs.



Buy Green: Forest & Biodiversity Conservation Alliance



The \$2.2 million of funding support provided by Office Depot as part of the Alliance with Conservation International, NatureServe and The Nature Conservancy continued through 2007. The Alliance reflects one of the largest-ever commitments by a corporation to work with conservation groups to support sustainable forestry.

Specific tasks undertaken with our conservation partners in 2007 included:

Risk Assessment

- Conservation International and The Nature Conservancy worked with one of Office Depot's suppliers in Brazil to evaluate sustainability practices on the supplier's lands in the Cerrado and Atlantic Forest region of São Paulo state.
- Conservation International worked with Office Depot to update the supplier questionnaire used to evaluate the sustainability profile of prospective paper suppliers. This questionnaire was used to guide Office Depot's fiber sourcing.
- NatureServe and The Nature Conservancy started working with Office Depot and a Canadian supplier to find the right balance between fiber sourcing and Boreal forest values in Quebec.

Improving Biodiversity Information

- NatureServe continued to improve the quality of its biological data on rare species within Office Depot's "forest footprint." In 2007, this included the development of habitat and management information on 175 globally rare species of the Southeast, with a focus on the ecologically rich Cumberland Plateau.
- NatureServe is working with one of Office Depot's largest suppliers to identify the rare plants, animals and key habitats that are most sensitive to forestry activities in the southeastern US. Those species and habitats will then be the targets of outreach efforts through that supplier's wood procurement staff.
- The Nature Conservancy helped support the launch of the Boreal Information Centre in March 2007, which provides important data to the Canadian forest industry, governments and planners to further integrate forest planning and management with biodiversity conservation. The Centre continues to be improved and strengthened with Office Depot's support.

Forestland Stewardship and Outreach

- The Alliance worked with one of Office Depot's largest suppliers to convene a "woods and mill tour" to understand on-the-ground challenges faced by foresters, loggers and land owners at the start of the paper supply chain.
- A forester hired by The Nature Conservancy in Tennessee promoted sound forest management using federal cost-share programs to land owners of over 36,000 acres.
- The Nature Conservancy co-organized a symposium on ecological, economic and social aspects of forestry operations in the Cumberland Plateau. Over 80 representatives attended from conservation groups, industry and government entities. The Nature Conservancy and NatureServe presented findings.
- NatureServe has begun to work with state forestry associations in the southeastern US to enhance biodiversity training for foresters and loggers. Working with the North Carolina Natural Heritage Program, biodiversity presentations have been provided to a number of Office Depot suppliers in the state.



Buy Green: Buy Greener Office Products for Internal Use

There are two major ways Office Depot buys greener office products for internal use:

- Purchasing office supplies from within The Green Book.
- Purchasing recycled cut-sheet paper used at our Global Headquarters.

In both cases we continued to buy high volumes of greener office products in 2007, and as such are indeed “buying green.” The environmental benefits of our paper use at our Global Headquarters and the fact that over 90% of the paper we bought in 2007 contains over 10% post-consumer recycled content supports this fact. However, since our trend in

buying both greener office products and recycled paper is slightly downward, we need to reverse our direction in this important area of performance.

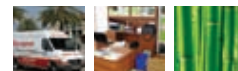
In 2008 and beyond, we will focus on the individuals within our organization who buy office products and paper for internal use, and engage them in dialogue on how to buy more products from The Green Book, and how to maintain near exclusive use of 35% recycled paper. We will also pursue LEED for Existing Buildings certification in our new Global Headquarters, and strive to increase our green purchasing under the “ongoing consumables” credit area.

38%
Green spend percentage
at Global Headquarters
based on Office Depot
purchases of SKUs
in the 2007 Green Book

32.2%
Average post-consumer
recycled content in paper
used at Global Headquarters
in 2007, saving about
700 trees* in the process

(*Based on Environmental Defense Fund Paper Calculator)

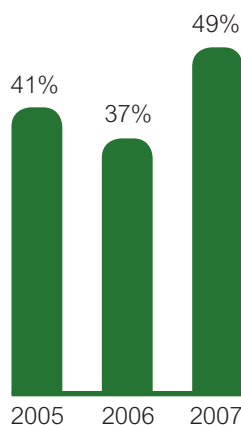




Be Green: Reduce Waste and Recycle Materials

26%

Reduction in total waste sent to landfills from facilities across the US and Canada, 2006 to 2007



Materials recycled vs. landfilled in North America

In the 2007 Corporate Citizenship Report, we reported that the biggest opportunities we saw in terms of reducing waste and increasing recycling of materials were to recycle more corrugated cardboard, implement paper recycling across more stores and facilities, and reduce waste at its source in North America.

In 2007, we substantially delivered against all three of these opportunities:

- We increased recycling of paper and cardboard by 21%, from 19,000 tons to 23,000 tons.
- We implemented basic paper recycling at all the stores where we have backhaul to crossdock capabilities.
- We rolled out an innovative fixture refurbishment and reuse program through which, we estimate, we reused over 1,800 tons of store fixtures.

We also started buying refurbished shopping carts for use in our stores.

Not counting our fixture reuse programs, we recycled over 26,000 tons of materials in North America in 2007 and reduced total tons of waste sent to landfills from 36,500 to 27,000 tons. We still believe we have significant environmental and economic opportunity to reduce waste and recycle more.

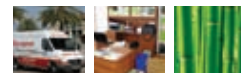
We recognize we still have opportunities in stores and warehouses to divert more product returns, cardboard and paper from the waste stream.



Case Study: Reusable Crates Used in Office Depot Japan

Office Depot operates 27 stores in Japan. In 2007, the Office Depot Japan supply chain team continued using an innovative reusable tote program for store delivery. Through this program, all deliveries from warehouses to stores are made in reusable and collapsible plastic cartons. This helps minimize supply chain environmental impacts because one-time-use corrugated cardboard boxes are replaced by repeatedly reusable boxes, and backhaul is simplified because the cartons collapse to take up minimal storage space.





Be Green:

Reduce Waste and Recycle Materials: ISO 14001



71%

Materials recycled vs. sent to landfill across Europe in 2007

Our waste reduction programs in Europe fit into our ISO 14001 certification efforts. ISO 14001 is the international standard for an environmental management system (EMS) and specifies establishing an environmental policy, determining environmental impacts of products and services, planning environmental objectives and targets, and undertaking a management review.

In 2007, the waste reduction efforts undertaken through our ISO 14001 programs across Europe enabled a total of 6,400 tons of materials to be diverted from landfills across Europe. The highest percentage of materials recycled vs. sent to landfills was in Germany – 92% – where strong regulation encourages maximum diversion.

Following Germany came Benelux and then the UK. We also started tracking waste and recycling across more countries in Europe.

At the end of 2007, many of our European facilities were certified to ISO 14001 standards. We were well on our way to achieving certification in 2008 or 2009 in new facilities throughout Europe. Some of the countries that currently have ISO 14001 certification include:

- United Kingdom and Ireland
- The Netherlands and Belgium
- Italy
- France



Be Green: Reduce Energy and Greenhouse Gases from Facilities

The best way to reduce energy and greenhouse gases from facilities is to design a building with efficiency in mind. Buildings account for over 30% of global greenhouse gases; as a major operator of buildings, it is in this area that Office Depot's carbon reduction efforts begin. At our new warehouse and head office in the UK, we implemented a range of green design elements to reduce the carbon footprint of our buildings, while saving electricity and fuel costs:

- 15% of the roof is covered in translucent glass with vertical glazing to make the most of natural light, limiting the need for electric lighting.
- Electric lights are controlled with sophisticated sensors – electric lights will only go on once natural light falls below a certain level and movement is detected.
- The building has been assessed as "Very Good," the second highest score under the rigorous BRE Environmental Assessment Method (BREEAM) in the UK.

In the US in 2007, we became the first and only office products company to join the US Green Building Council. We also joined the LEED for Retail Prototype pilot, a program for retailers who plan to pursue certification across multiple locations, not just one.

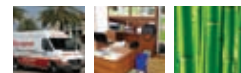
Our new green stores will deliver future carbon benefits, but we know there is also potential for carbon reduction in our existing stores. Between 2005 and 2006, we reduced our carbon footprint from facilities by over 10%. We were not able to replicate this drop in 2007, but limited our increase in carbon emissions from facilities to 3% while increasing square footage under management by 5%. In 2008, we are investing in another major set of efficiency upgrades, and hope to drive another absolute reduction in CO₂.

One example of our carbon-reduction efforts in 2007 was our Global Data Center. Office Depot was the only office supplies company nominated for a Green Enterprise IT Award from the Uptime Institute, a think tank that works on computing reliability and energy efficiency. Office Depot was recognized for a series of efficiency steps.



*Leicester, UK, HQ for Office Depot
ISO 14001 certified*

Winner
Gold Award for Sustainable
Design, by The Green
Organisation



Be Green:

Reduce Fuel and Greenhouse Gases from Transportation



9.6%

Absolute reduction
in CO₂ emissions from
US transportation

5.4 lbs

Estimated carbon
emissions per delivery of
products from Office Depot
warehouses directly to
customers

More than half of our revenue in our primary market – North America – is generated through deliveries. We have a substantial number of vehicles on the road every day delivering products to customers and the fuel used to deliver these products adds up to one of our most material environmental impacts. Reducing fuel and greenhouse gases from transportation is a primary objective and we are proud to have taken a leadership position in our industry in this area.

At the end of 2007, we were:

- The only office products company in North America to have calculated carbon emissions from deliveries.

- The only office products company to have reported two consecutive years of substantial reduction in carbon emissions from transportation (11.8% reduction[†] in 2006 and 9.6% reduction in 2007).
- The only office products company to be able to calculate the average estimated carbon emissions from delivery of office supplies to customers (scope 3).
- The only company with a substantial fleet of fuel-efficient Sprinter vans.

As an active partner in the US EPA's Smartway Transportation Partnership, we used Smartway's FLEET Model to quantify our fuel use and carbon footprint. We shipped at least 50% of our goods

using SmartWay Transport Carriers and implemented fuel reduction strategies such as no-idling policies at docks and active use of inter-modal transportation.

Based on our leadership efforts in 2007, Office Depot was awarded a SmartWay Environmental Excellence Award. We were the only office products company to win this award and the only shipper overall in the SmartWay partnership to track greenhouse gases from distribution. Using the unique carbon insight we have gained through these efforts, we plan to develop solutions that encourage customers to consolidate orders and reduce delivery frequency and corresponding carbon emissions.

[†]Adjusted figure from previously reported



Sell Green: Deliver Innovative Green Solutions for Contract Customers



Contract customers for Office Depot are large corporations, government organizations and educational institutions. Much of the demand for greener products and solutions has come from these customers, as we serve some of the most environmentally aware organizations in the world.

We have been at the forefront of delivering innovative green solutions for contract customers for many years. In 2003, we created the office industry's first Green Book – a solution that has been copied by nearly every major competitor in 2008.

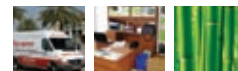
In 2007, we brought our green solutions under one theme directly relevant to our customers and our brand: the “Greener Office.” We delivered a number of solutions under this theme in North America and Europe. As with our innovative Green Book, we know these

ideas will also be mirrored by all our competitors in the years to come:

- A “Greener Office” vignette that brings together all types of products – supplies, furniture and technology – to help explain what a greener office looks like.
- The new Office Depot Green™ brand, designed in consistent packaging to simplify green purchasing for contract customers.
- A Webcast, in partnership with Joel Makower, one of the “gurus of green business,” to help set the context for the environmental trends in the business world, and provide detailed advice on how to go green at the office.
- An online guide – *Small Steps to a Greener Office* – that breaks the process of thinking about how to go

green into a series of simple-to-understand steps. (Available at www.officedepot.com/greenyouroffice)

- Greener Office Audits, in partnership with GreenOrder, a leading environmental consultancy.
- A Greener Alternatives Tool to help customers convert from virgin to remanufactured or recycled products.
- A “Green Workbook” in the UK to help customers calculate environmental spend and gauge the carbon footprint of some of the products they purchase.
- “Green Customer Awards,” which were presented to Office Depot’s five greenest customers in the US and four greenest customers in the UK.



Case Study: US Green Book Drives Growth in Green!



The 2007 Green Book was Office Depot's fifth such catalog and was extremely popular. The Green Book also helped drive substantial sales growth in our contract channel. We estimate that sales of products represented in The Green Book grew by over 10% in the contract channel in 2007 – from \$660 million to \$730 million.

\$70 million
Estimated increase (2006 to 2007)
in contract sales of items represented
in the 2007 Green Book



Office Depot Green Marketing Platform:

 **OFFICE DEPOT® BRAND
HEAVY-DUTY HANGING FOLDERS**
Letter, 1/2-Cut Tabs, Item# 810-929
100% recycled with a minimum of 95% postconsumer content. Features 14-point acid-free stock.

 **OTT-LITE®
DESIGNPRO FLOOR LAMP**
Silver/Gray, Item# 405-581
The DesignPro lamp can be extended from 46 to 53-1/4". 8-1/2" W x 16-1/2" D. Comes with energy-efficient compact fluorescent bulb, designed to provide natural light for 10,000 hours.

 **OFFICE DEPOT® BRAND
QUANTUM MESH CHAIR**
Mid-Back Chair, Black, Item# 510-830
Made from 60% postconsumer recycled content. Meets or exceeds ANSI/BIFMA Performance Standards. 40-1/2" H x 30-3/4" W x 26" D. Manufacturer's limited lifetime warranty.

 **SMEAD®
MANILA FILE FOLDERS**
1/2-Cut, Letter, Item# 315-515
Sturdy 11-pt stock folders expand to 3/4". Contains a minimum of 10% postconsumer recycled content.

 **REWRITABLE MEDIA**
CD-R/CD-RW discs conveniently allow you to write and rewrite over data to store new information; meeting all your expanding data-storage needs.

 **EARTHVIEW
ROUND-RING
PRESENTATION BINDERS**
1" Ring, White, Item# 980-296
Contains 70% postconsumer recycled content. Features 2 convenient pockets.

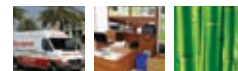
 **OFFICE DEPOT® BRAND
RECYCLED PAPER TOWELS**
Paper Towels, Item# 507-470
Contains 100% recycled content. Processed chlorine free.

 **OFFICE DEPOT® BRAND
RECYCLED DELUXE
DESK ACCESSORIES**
Stackable Recycled Letter Tray, Black, Item# 186-534
Contains 100% total recycled content with 30% postconsumer content. Contents not included.

 **FORAY®
RETRACTABLE DESK-STYLE
HIGHLIGHTERS**
Yellow Highlighters, Item# 271-896
Certified AP nontoxic.

 **ZEBRA®
JIMNIE® CLIP RETRACTABLE
BALLPOINT PENS**
Medium Point, Black, Item# 528-336
Made of recycled car headlights! Contains 75% postconsumer content.



**SAMSUNG® MONITORS**

Energy Star qualified to help you save electricity costs.

**GLOBAL® GENOA SERIES COLLECTION****Open Hutch, Item# 534-351**

Green Guard certified for healthier indoor air quality. Sits above 66" desk or credenza for additional storage.

**OFFICE DEPOT® green BRAND 100% RECYCLED ENVIROCOPy™ PAPER****8-1/2" x 11", 10-Ream Case, Item# 521-980**

Paper from paper, using no new trees and bleached process-chlorine-free, 20-lb, 104 bright paper. Manufactured "carbon neutral" using wind power credits.

**OFFICE DEPOT® BRAND REMANUFACTURED INK & TONER****26A Rmfr. Black Inkjet, Item# 664-891****12A Rmfr. Black Laser, Item# 648-112**

Higher quality remanufactured cartridges help you save money and reduce waste.

**HP DESKJET 6940DT****Color Inkjet Printer, Item# 209-074**

Energy Star qualified to help you save electricity costs. 4800 x 1200 maximum optimized dpi for professional-quality printing.

**GLOBAL® GENOA SERIES COLLECTION****Kneespace Credenza, Item# 534-481**

Green Guard certified for healthier indoor air quality. Features 2 locking box/file pedestals. Wire grommet in work surface. 66" W x 20" D.

**RUBBERMAID® DESKSIDE RECYCLING CONTAINER****13 Quart Container, Item# 494-682**

For desk-side paper recycling. "We Recycle" imprint. 12-1/2" H x 11-5/8" W x 8-5/8" D.

**DOMTAR EARTHCHOICE® OFFICE PAPER****8-1/2" x 11", 10-Ream Case, Item# 526-415**

Comes from forests certified to the rigorous standards of the FSC and endorsed by the Rainforest Alliance—assured to come from "responsibly-managed forests". 20 lb, 92-bright paper.

**GLOBAL® GENOA SERIES COLLECTION****Double-Pedestal Desk, Item# 534-581**

Green Guard certified for healthier indoor air quality. Features 2 locking box/file pedestals. 3/4" recessed modesty panels.

**VOLTAIC™ SOLAR CHARGING BAG****Messenger Bag, Item# 451-615**

Solar panels on the bag recharge virtually all handheld electronic devices (not notebook computers). High quality fabric from recycled PET (soda bottles).





Case Study: Selling Green by Growing Green: Czech Republic and Slovakia



As part of its innovative Trees for Life program, Office Depot Czech Republic planted over 52,000 trees in 2007. The program is run in partnership with the Faculty of Forestry and Environment at the Czech Agricultural University in Prague. Trees are planted twice a year – in spring and autumn – and one tree is planted for every 50 packages of Office Depot's Niceday or Papirius paper sold.

This initiative in the Czech Republic and Slovakia has resulted in the planting of more than 160,000 trees on an area spanning 30 hectares (about 74 acres) since the program's inception.



Sell Green: Deliver Innovative Green Solutions for Online Customers

Office Depot UK has developed an innovative online green tool to help customers go green. “My Carbon Pawprint” is an online carbon calculator that helps calculate the carbon reduction and other green benefits of recycled content papers.



Office Depot US, Canada and Mexico continue to invest in user-oriented online tools to help customers identify greener products. We are investing considerable time and energy in 2008 to add more robust functionality to these websites.





Sell Green: Deliver Innovative Green Solutions for Retail Customers



Tech Recycling Service

In 2007, Office Depot expanded its pilot Tech Recycling Service across the US. This program, which was designed as a solution for retail customers to dispose of unwanted electronics, is beautiful in its simplicity. Three different sizes of boxes are offered that can be filled with a wide range of obsolete technology items and dropped off at any Office Depot store in the mainland US. The technology is then sent to a recycling plant to be crushed, and raw materials are extracted using a shredding process. The most common materials recovered are glass, plastic, copper and aluminum.

We also continued providing a free recycling program for cell phones and rechargeable batteries and a paid program for customers bringing in ink and toner cartridges for recycling.

Tech Solutions

As part of our strategic move to become a solution provider rather than just a seller of products, Office Depot started piloting a range of technology services in 2007. This included computer repairs, wireless network installation, and software and television installation. These solutions help “dematerialize” our revenue sources and reduce our environmental impact.



Global Green Case Study: Office Depot Hungary

Office Depot Hungary is part of our global effort to merchandise and market green products in stores. Each month, retail customers can find offers with environmentally preferable products in the Company's inserts. A green pod was also created as an in-store destination for green customers. This is done to “sell green” and attract customers to environmentally preferable products.



Office Depot Hungary Green Pod – an in-store destination for customers seeking green products



Sell Greener Papers



95%

Percentage of all cut-sheet paper sold by Office Depot in the US certified to one of the four main responsible forestry certification standards



Two of the goals Office Depot established in 2004 were to increase the number of paper products we sold with post-consumer recycled content, and to strive to achieve an average of 30% post-consumer recycled (PCR) content across all paper products sold and used.

We achieved the first goal by dramatically increasing our recycled content offerings from around 2,300 items in 2005 to over 4,000 in 2007. In trying to implement the second goal, we concluded, after consultation with numerous groups including PricewaterhouseCoopers in their capacity as reviewers and GreenOrder, that an average recycled content for “all paper products” is almost impossible to calculate because many paper products have multiple materials – notebooks with leather covers, binders with metal spines,

calendars with plastic backings, etc. As such, we report Average PCR content for cut-sheet paper only. In 2007, we increased Average PCR for all cut-sheet paper sold and printed from 10.4% to 10.7%. We have now set a goal to achieve 15% Average PCR content for cut-sheet paper sold and printed by 2010.

Some companies in our industry report average PCR for all paper products without specifying which categories of paper products they include or how they address the issues of multiple materials, varied recycled content, etc. Based on our consultations with external advisors, we do not believe those numbers can be accurately calculated. We believe the only way to estimate average recycled content for paper products is to be explicit in the categories selected, and focus only

on categories where the paper product is made from one material only (i.e. wood fiber only, with no metal or plastic components). In 2007, for the first time, Office Depot calculated this metric, and focused on reporting average PCR for folders (paper only), boxes, and personal care products. Based on this calculation, we achieved an average of 27% PCR in these categories.

A final metric Office Depot is starting to report in 2007 is certified content in the cut-sheet papers we sell. In 2007, 95% of all cut-sheet paper sold by Office Depot in the US was certified to one of the four certification standards: CSA, FSC, PEFC and SFI. In the future we will provide a separate breakdown of percentage by certification program.



Tell Green: Engage Environmental Stakeholders

We recognize the importance of having partners who share our commitment to the environment, and provide venues for us to tell our story and share best practices. As such, Office Depot is formally involved in a wide range of partnerships, including:



Office Depot is the only[†] office supplies company with a membership in the US Green Building Council (USGBC).



Office Depot is the only[†] office supplies company participating in the US EPA's partnership focused on reducing greenhouse gases through transportation innovations.



Office Depot is the only[†] office supplies company with membership in this leading group of institutional purchasers and suppliers committed to responsible procurement.



Office Depot is a member of the US EPA's Climate Leaders program focused on tracking and reducing greenhouse gases.



Office Depot is the only[†] office supplies company on the founding board of this initiative to help green county governments.



Office Depot is one of the top 10 purchasers of green power in the US retail industry.

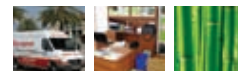


Office Depot is the only[†] office supplies company involved in the Business Roundtable's S.E.E. Change initiative, an effort led by CEOs of US firms to improve Society, the Environment and the Economy.



Office Depot is an Energy Star for Retail partner – committed to promoting energy efficient products.

[†]Membership and office products industry exclusivity as of December 2007



Office Depot is a founding member and the only office supplies company in Conservation International's Business & Biodiversity Council – a leading group of companies that works on biodiversity and climate-related efforts.



Office Depot has been working with London Remade since March 2003, raising awareness of sustainable office products, developing best practices and helping customers make environmentally informed purchasing decisions.



Office Depot has a five-year partnership with Conservation International, NatureServe and The Nature Conservancy to develop forest information, standards and tools to support our environmental paper policy. Our \$2.2 million funding of this partnership represents one of the largest corporate commitments ever to support sustainable forestry.



The Office Depot Foundation has worked on environmental education programs with Keep America Beautiful for many years.



Since 1995, Office Depot UK has been a member of this joint venture between the global charity and UK companies committed to reducing their impact on the world's forests by supporting certification and raw material source tracking.

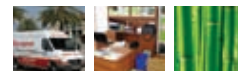


Tell Green: Engage and Train Associates in Environmental Programs

Environmental strategy is often complex and multi-faceted. One of the key challenges for a large company is how to increase environmental awareness across its employee base. In 2007, Office Depot engaged its executives and associates in environmental thinking in a range of ways, including, but not limited to:

- Environmental training for a large number of Business Solutions Division executives and field sales representatives in North America and Europe.
 - Our Global Innovation Challenge, through which we encouraged associates to brainstorm new innovative office products, including a “green office product.”
 - A full-day recycling event on Earth Day, during which reusable water bottles and bags as well as green posters were given to all associates at our Global Headquarters.
 - A series of videos describing our environmental programs shown on televisions at Global Headquarters.
- Finally, in a major effort to engage our company’s leaders, Office Depot’s Global Business Forum – the annual event for the top 2% of our leaders from around the globe – was managed as a “green event.”
- Office Depot partnered with the Office Depot Foundation and made a donation to the National Arbor Day Foundation in each of the attendees’ names. The money was used to plant approximately 15,000 trees.
 - Executives received a list of the “Top 10 Tips for a Greener Hotel Stay” upon checking into their rooms.
 - Attendees flying in for the meeting were emailed electronic tickets rather than printed tickets, while those driving to the meeting were advised to carpool.
 - Instead of hard copy handouts, all presentations were displayed on screens, which significantly reduced the amount of paper.
 - Temperatures in the ballroom and meeting rooms were controlled to reduce energy use.





Tell Green: Environmental Awards and Recognition

Office Depot has a long track record of environmental leadership. Our green programs and practices have been recognized by a wide number of respected independent organizations. We believe this recognition reflects our willingness to lead the office

products industry across nearly every aspect of environmental performance – from buying green, to being green, to selling green. In 2007, examples of recognition we received included, but are not limited to:

European Office Products Award

In 2007, Office Depot won the Office Products International (OPI) European Office Products' Environmental Responsibility Award for the third consecutive year. Judges commented, "Not for the first time, Office Depot wowed the judges with its comprehensive and passionate approach to the environment. Office Depot continues to be our industry's champion for all things green."



Green Apple Awards

In 2007, Office Depot received two awards at the Green Organisation's Green Apple Awards for the comprehensive reporting offered to our customers and for the development of our sustainable head office in Leicester. This is the second consecutive year Office Depot has won awards at this event.



US Environmental Protection Agency SmartWay Environmental Excellence Award 2008

Office Depot is the only office products company to have won this award from the EPA for reducing fuel and greenhouse gases from transportation.



British Office Services and Supplies (BOSS) Federation Environment Award

In 2007, Office Depot received the prestigious BOSS Federation Environment Award. The judges described this as a well-structured entry demonstrating "how their business operates in an environmentally friendly manner together with any plans or initiatives that will improve the environmental performance of themselves and/or their customer."



Corporate Responsibility Officer 100 Best Corporate Citizens 2008, 2007, 2006

Office Depot is the only office supplies company to have been on this Top 100 list for three consecutive years.



Dow Jones Sustainability Index 2007, 2006, 2005

Office Depot has been on this index of the most sustainable large companies every year since 2005.



FTSE 4 Good

Office Depot has been on this Financial Times Index of the most sustainable companies every year since 2005.

2007 Office Depot North American Environmental Key Performance Indicators Reviewed by PricewaterhouseCoopers

PricewaterhouseCoopers LLP has reviewed the data for this report on pages 52 and 53 noted in bold font. See page 2 for more information. In selecting these indicators, we referenced the Global Reporting Initiative's guidelines. Numbers have been rounded for reporting purposes.

Objective	Initiative	Functional Owners	#	Environmental Key Performance Indicator (eKPI) Summary Data	GRI	North American Summary Data			
						2005	2006	2007	Change
Increasingly Buy Green	Source greener office products for resale	Merchandising	1.0	Estimated number of active products with identified green attributes ^{2,4}	EN26	2,300	4,000	5,200	30%
	Buy marketing papers from certified "responsibly managed forests"	Print Production & BSD Marketing	2.0	Percent of marketing papers from certified "responsibly managed forests" ^{2,7}	EN14	30%	54%	66%	NA ⁸
	Buy greener office products for internal use	Internal Procurement, Exec. Assistants	3.0	Green spend percentage, Global Headquarters ^{2,9}	EN26	NA	46%	38%	-17%
Increasingly Be Green	Reduce waste and recycle materials	Supply Chain, Facilities & Store Operations	4.0	Percent of materials recycled vs. landfilled ^{1,10,11,12,13,14}	EN22	41%	37%	49%	33%
	Reduce energy and greenhouse gases from facilities	Construction, Facilities, IT & Supply Chain	5.0	CO ₂ emissions associated with facilities, Est. metric tons ^{1,3,16,17} Does not count offsets purchased	EN16 EN18	407,300	366,000	378,000	3.3%
	Reduce fuel and greenhouse gases from delivery of goods	Logistics & Transportation	6.0	CO ₂ emissions associated with customer & store delivery, Est. metric tons ^{2,20, 21,22,23,24} (Scope 1 & 3) Does not count offsets purchased	EN16 EN17 EN18 EN29	156,400	138,000	124,700	-9.6%
Increasingly Sell Green	Deliver innovative green solutions for contract customers	BSD Marketing & Sales	7.0	Estimated total sales of products with green attributes ¹ (analysis limited to products in 2007 The Green Book ⁶)	EN26	1.05 Billion	1.34 Billion	1.33 Billion	-1%
	Deliver innovative green solutions for direct customers	Direct Marketing							
	Deliver innovative green solutions for retail customers	Retail Marketing & Merchandising							
	Increase average recycled content of paper products sold	Supplies Merchants	8.0	Average post-consumer recycled content of folders, boxes, and personal care products sold ^{1,28}	EN2	NA	NA	27%	NA
	Increase average post-consumer recycled content of cut-sheet paper sold & printed	Paper Merchants	9.0	Average PCR content of cut-sheet paper sold & printed ^{1,29}	EN2	NA	10.4%	10.7%	3%
	Increase sales of cut-sheet paper from certified "responsibly managed forests"	Paper Merchants	10.0	Percent by weight cut-sheet paper sold from certified "responsibly managed forests" ¹¹	EN14	NA	NA	95%	NA

¹US & Canada | ²US only | ³2007 includes Puerto Rico | ⁴Green attributes currently defined and tracked by Office Depot include: Recycled, Recycling solution, Responsible forestry, Rapidly renewable materials, Remanufactured, Refill/Reusable, Rechargeable, Reduced energy in use, Renewable power in use, Carbon-balanced, Reduced chemical exposure, Chlorine free bleaching, Bio-based/Biodegradable. These attributes will be reviewed on a periodic basis with key stakeholders and potentially updated. | ⁵Includes Remanufactured items | ⁶Includes attributes listed in footnote four, except recycled and remanufactured products | ⁷Includes catalogs & inserts. 2007 data based on percent by weight of fiber in all marketing paper in the US that is third-party certified to Chain of Custody (COC) under the CSA, FSC, PEFC or SFI programs. 2005 and 2006 calculations based on the number of mills with COC. | ⁸As the calculation methodologies changed from 2006 to 2007, annual percent change is not calculable. 2005 and 2006 calculations are based on the number of mills with Chain of Custody, whereas 2007 is based on the percent by weight of fiber. | ⁹Office Depot Global Headquarters spend on products represented in The Office Depot 2007 Green Book⁶ vs. total spend on office supplies. | ¹⁰Tonnage is reported by 3rd party waste management company or 3rd party recycling vendors. | ¹¹Includes paper and cardboard recycling where facilities exist | ¹²Includes internal electronics recycling and in-store cell phone & rechargeable batteries program, as well as in-store customer Tech Recycling Program (in-store programs accept a wide range of technology, not exclusively those sold at Office Depot) | ¹³Includes plastic, metal, and ink & toner cartridges (collected internally, as well as by retail and contract customers) recycling where facilities exist. | ¹⁴Excludes tonnage from store locations serviced by municipalities and where cost to send material to landfill is calculated through route costs or flat rates | ¹⁵Costs based on garbage hauling, landfill fees, and recycling costs; revenue based on rebates from internal and customer recycling programs | ¹⁶Calculated using monthly data for natural gas and electricity from facilities owned

#	Environmental Key Performance Indicator (eKPI) Detailed Data	GRI	North American Detailed Data			
			2005	2006	2007	Change
1.1	Estimated # Active SKUs with post-consumer recycled (PCR) content ^{2,5}	EN26	NA	NA	4,000	NA
1.2	Estimated # Active SKUs with other green attributes ^{2,6}	EN26	NA	NA	1,200	NA
2.1	Percent of marketing papers from Forest Stewardship Council (FSC) certified "responsibly managed forests"	EN14	Potentially reported next year			
2.2	Percent of marketing papers from CSA/PEFC/SFI certified "responsibly managed forests"	EN14	Potentially reported next year			
3.1	Average post-consumer recycled (PCR) content of cut-sheet paper purchased by Global Headquarters ²	EN2	34.0%	32.7%	32.2%	-2%
3.2	Percent by weight of cut-sheet paper purchased by Global Headquarters with minimum 10% PCR content vs No PCR content ²	EN2	97.8%	94.5%	91.6%	-3%
4.1	Paper and cardboard recycled, Est. short tons ^{1,10,11}	EN22	15,800	19,000	23,000	21%
4.2	Technology recycled, Est. short tons ^{2,10,12}	EN22	2	145	140	-3%
4.3	Other materials recycled, Est. short tons ^{1,10,13}	EN22	2,700	2,200	2,900	32%
4.4	Total tons of materials recycled, Est. short tons ^{1,10,11,12,13}	EN23	18,502	21,345	26,040	22%
4.5	Materials sent to landfills, Est. short tons ^{1,10,14}	EN22	26,500	36,500	27,000	-26%
4.6	Ratio of cost of waste plus cost of recycling : Revenue from recycling ^{1,15}	NA	NA	\$5M : \$2.6M	\$5.3M : \$4M	Cost+6% Rev. +52%
4.7	Store fixtures reused, Est. short tons	EN22	NA	NA	1,800	NA
5.1	Natural gas consumed, mmBTU ^{1,3,17}	EN3	340,300	292,300	350,300	20%
5.2	Electricity consumed, MWh ^{1,3,17}	EN4	666,000	600,800	625,000	4%
5.3	Percent of electricity consumption offset by purchase of RECs ^{1,3,18}	EN6	NA	12%	4%	-67%
5.4	Square footage of facilities leased or owned ^{1,3,17}	NA	36,239,000	37,952,000	39,223,000	3%
5.5	Energy intensity across all facilities, average kWh per square ft ^{1,3,17,19}	NA	18.38	15.83	15.93	1%
5.6	Energy intensity across stores, average kWh per square ft ^{1,3,19}	NA	19.45	16.59	16.97	2%
5.7	CO ₂ emission intensity across all facilities, average CO ₂ lbs per square ft ^{1,3,17}	EN16	24.77	21.26	21.26	0%
6.1	Fuel used by Office Depot branded fleet for customer delivery (ground), Est. gallons ^{2,20,21}	EN3	2,581,000	2,088,000	2,355,000	13%
6.2	Fuel used by UPS for Office Depot customer delivery (ground, rail, aviation), Est. gallons ^{2,22}	EN3	2,587,000	2,640,000	2,968,000	12%
6.3	Fuel used to deliver products to stores (ground), Est. gallons ^{2,21,23,24}	EN3	10,362,000	8,791,000	6,957,000	-21%
6.4	CO ₂ emissions from customer deliveries (ground, rail & aviation), Est. metric tons ^{2,20,21,25}	EN16	51,100	46,700	52,400	12%
6.5	CO ₂ emissions from store deliveries (ground & rail), Est. metric tons ^{2,21,23,24}	EN16	105,300	91,300	72,200	-21%
6.6	Total number of customer deliveries ^{2,26}	NA	NA	19,950,000	21,390,000	7%
6.7	Average CO ₂ lbs per customer delivery ^{2,26}	EN16	NA	5.16	5.4	5%
7.1	Sales of products with green attributes in contract channel ^{1,27}	EN26	\$540M	\$660M	\$730M	10%
7.2	Sales of products with green attributes in direct channel ^{1,27}	EN26	\$170M	\$230M	\$220M	-6%
7.3	Sales of products with green attributes in retail channel ^{1,27}	EN26	\$350M	\$450M	\$380M	-15%
8.1	Percent by weight of folders, boxes, and personal care products sold with minimum 10% post-consumer recycled content vs no PCR content ^{1,28}	EN26	NA	NA	88%	NA
9.1	Percent by weight of cut-sheet paper sold & printed with minimum 10% PCR content vs no PCR content ^{1,29}	EN26	NA	69.4%	74.2%	7%
10.1	Percent by weight of cut-sheet paper sold from FSC certified forests ¹	EN26	Potentially reported next year			

or leased, regional electricity emission factors, and following WRI/WBCSD GHG Protocol guidance documents | ¹⁷Leased or owned facilities include stores, warehouses, data centers and Corporate & field offices | ¹⁸Purchase of domestic Green-e certified Renewable Energy Credits (biogas, wind, and solar RECs in 2006, wind only RECs in 2007 at a higher cost per kilowatt hour). | ¹⁹Assumes changes are due to changes in energy intensity which is affected by conservation, energy efficiency, and other factors | ²⁰Excludes LTL (Less than Truck Load) Carriers - a small percentage of Office Depot customer deliveries | ²¹Estimates based on EPA's SmartWay Carrier or Shipper models; Carrier model calculated using monthly routing data | ²²As reported to Office Depot by UPS | ²³Includes dedicated (Office Depot branded) & non-dedicated (3rd party branded) vehicle transport from warehouses to stores, as well as some intra warehouse transport and vendor transport to warehouses | ²⁴2005 & 2006 data revised, to account for rail transport. | ²⁵Includes deliveries from warehouses to customers by Office Depot branded customer delivery fleet and by UPS deliveries to contract & direct customers; 2005 data restated to reflect consistent units. | ²⁶Last year reported on number of orders and CO₂ per order. Revised in this report to reflect more relevant metric of CO₂ per customer delivery. (Multiple orders to the same address may be part of one delivery.) | ²⁷Sales based on The Office Depot 2007 Green Book®, predominantly a contract catalog | ²⁸Metric includes single material (i.e. wood fiber); files and folders (excluding hanging files & classification folders, as they contain metal), filing storage and boxes, paper towels, tissues, and napkins. Does not include cut-sheet paper. Excludes proprietary SKUs. | ²⁹Cut-sheet paper sold through Retail, Web, Catalog, & Contract Sales (includes internal cut-sheet paper purchases) (US & Canada) and cut-sheet paper sold for print runs through Design.Print.Ship and Regional Print Facilities (in the US only); excludes proprietary SKUs. | NA = Not Available

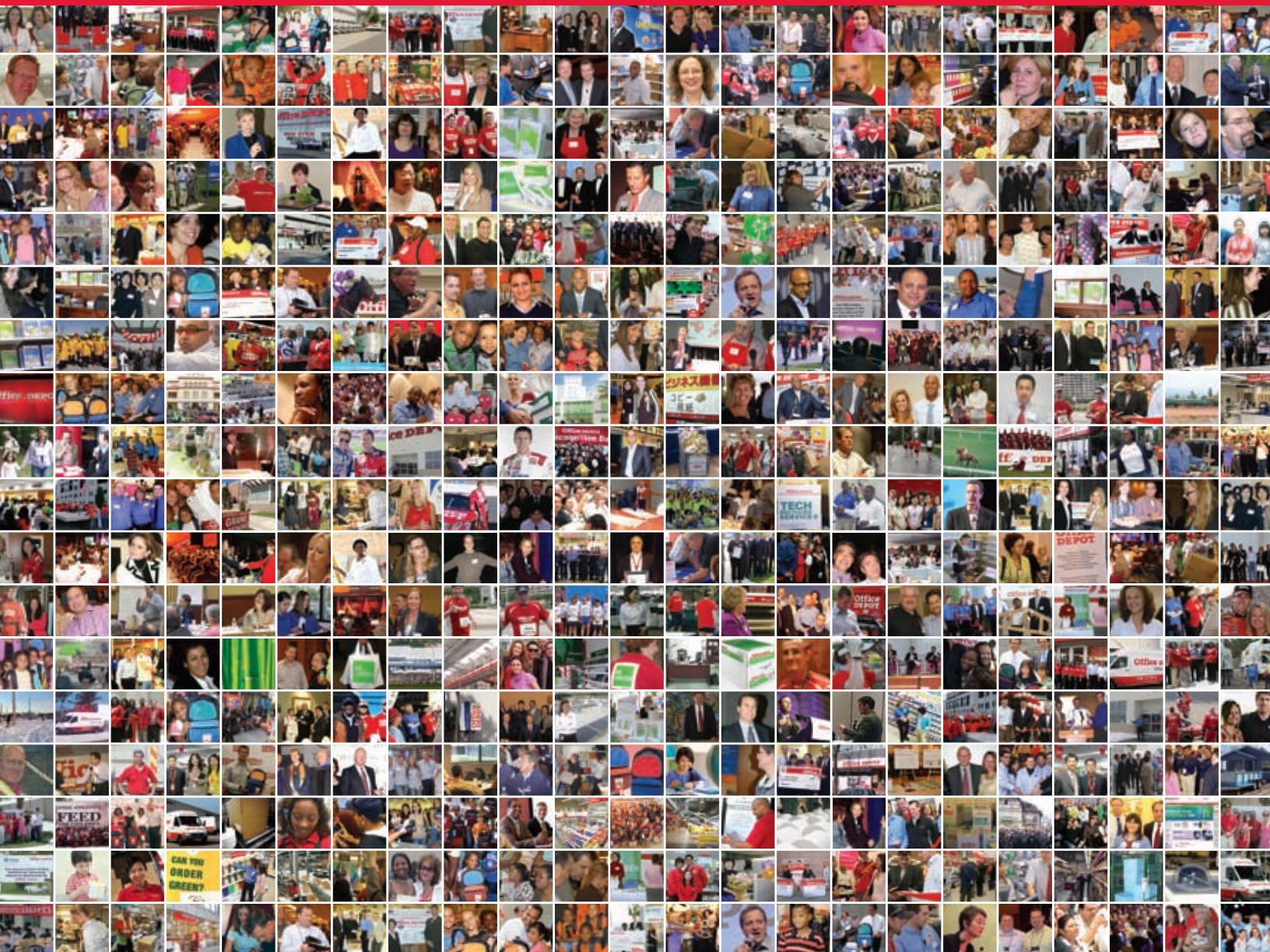
2007 Office Depot Europe Environmental Key Performance Indicators from Selected Countries

Reporting on Benelux (includes Belgium, Netherlands, Luxembourg), DACH (includes Germany, Austria and Switzerland), France, and UK & Eire (United Kingdom and Ireland). Numbers have been rounded for reporting purposes. Office Depot Europe Environmental Key Performance Indicator (eKPI) numbers may skip in order to retain consistency with Office Depot's Global Environmental Dashboard (page 28).

Objective	Initiative	Functional Owners	#	Environmental Key Performance Indicator (eKPI) Summary Data	GRI	2007 European Summary Data				
						Benelux	DACH	France	UK & Eire	Total
Increasingly Buy Green	Source greener office products for resale	Merchandising	1.0	Estimated number of active products with identified green attributes ¹	EN26	1,030 ²	920	1,390	960 ²	4,300 ³
Increasingly Be Green	Reduce waste and recycle materials	Supply Chain, Facilities & Store Operations	4.0	Percent of materials recycled vs. landfilled	EN22	83%	92% ⁴	63%	64%	71%
	Reduce energy and greenhouse gases from facilities	Construction, Facilities, IT & Supply Chain	5.0	CO ₂ emissions associated with facilities, Est. metric tons (Scope 1 & 2) Does not count offsets purchased	EN16 EN18	4,380	5,050 ⁸	NA	15,100 ⁹	24,530
	Reduce fuel and greenhouse gases from delivery of goods	Logistics & Transportation	6.0	CO ₂ emissions associated with customer & store delivery, Est. metric tons (Scope 1 & 3) Does not count offsets purchased	EN16 EN17 EN18 EN29	110 ¹⁰	NA	3,450	22,000 ¹⁰	25,560
Increasingly Sell Green	Deliver innovative green solutions for contract customers	BSD Marketing & Sales	7.0	Estimated total sales of products with green attributes ^{1,7}	EN26	\$9.1M	NA	NA	\$23.3M	\$32.4M
	Deliver innovative green solutions for direct customers	Direct Marketing								
	Deliver innovative green solutions for retail customers	Retail Marketing & Merchandising								
	Increase average post-consumer recycled content of cut-sheet paper sold & printed	Paper Merchants	9.0	Average recycled content of cut-sheet paper sold ⁴	EN2	NA	NA	NA	38% ¹¹	NA
	Increase sales of cut-sheet paper from certified "responsibly managed forests"	Paper Merchants	10.0	Percent of cut-sheet paper offered in contract catalogs from certified "responsibly managed forests"	EN14	NA	NA	NA	17% ¹²	NA

¹Green attributes currently defined and tracked by Office Depot include: Recycled, Recycling solution, Responsible forestry, Rapidly renewable materials, Remanufactured, Refill/Reusable, Rechargeable, Reduced energy in use, Renewable power in use, Carbon-balanced, Reduced chemical exposure, Chlorine free bleaching, Bio-based/Biodegradable, UK & Eire also included Fairtrade. These attributes will be reviewed on a periodic basis with key stakeholders and potentially updated. | ²Contract only | ³This is simply a summation of SKUs with green attributes across these countries; it does not account for identical SKUs sold in multiple countries. | ⁴This reflects total recycled content, not post-consumer recycled content (as per North America). Europe does not track post-consumer recycled content. See glossary on page 3 for definition of recycled. | ⁵Germany only | ⁶In Germany, by law, all waste is first treated either biologically or thermally before landfilled | ⁷Country currency converted to December 31, 2007 dollars | ⁸Includes heating fuel | ⁹Excludes Ireland | ¹⁰Office Depot fleet only, excludes third party carriers (if any) | ¹¹Excludes photo paper | ¹²Percent of white cut-sheet paper SKUs offered in 2007 contract catalogues that contain FSC certified content. Excludes photo paper. | NA = Not Available

#	Environmental Key Performance Indicator (eKPI) Detailed Data	GRI	2007 European Detailed Data				Total
			Benelux	DACH	France	UK & Eire	
1.1	Estimated # Active SKUs with recycled content ⁴	EN26	270 ²	450	580	470 ²	1,770 ³
1.2	Estimated # Active SKUs with other green attributes	EN26	760 ²	470	810	490 ²	2,530 ³
4.1	Paper and cardboard recycled, Est. short tons	EN22	410	1,630 ⁵	1,060	2,320	5,420
4.2	Technology recycled, Est. short tons	EN22	5	5 ⁵	5	<1	15
4.3	Other materials recycled, Est. short tons	EN22	60	340 ⁵	90	490	980
4.4	Total tons of materials recycled, Est. short tons	EN23	475	1,975 ⁵	1,155	2,810	6,415
4.5	Materials sent to landfills, Est. short tons	EN22	100	175 ^{5,6}	685	1,610	2,570
4.6	Ratio of cost of waste plus cost of recycling : Revenue from recycling ⁷	NA	NA	NA	\$90.5K : \$40K	\$74K : \$18K	NA
5.1	Natural gas consumed, mmBTU	EN3	10,330	5,800	NA	44,630 ⁹	60,760
5.2	Electricity consumed, MWh	EN4	7,380	5,640	NA	18,700 ⁹	31,720
6.1	Fuel used by Office Depot branded fleet for customer delivery. Est. gallons	EN3	16,920 ¹⁰	NA	391,300	2,207,000 ¹⁰	2,615,220
6.6	Total number of customer deliveries	NA	NA	NA	NA	3,185,000	NA
6.7	Average CO ₂ lbs per customer delivery	EN16	NA	NA	NA	15	NA
7.1	Sales of products with green attributes in contract channel ^{1,7}	EN26	\$9.1M	NA	NA	\$23.3M	\$32.4M
7.2	Sales of products with green attributes in direct channel ^{1,7}	EN26	NA	NA	NA	NA	NA
7.3	Sales of products with green attributes in retail channel ^{1,7}	EN26	NA	NA	NA	NA	NA
9.1	Percent by weight of cut-sheet paper sold with minimum 10% recycled content vs no recycled content ⁴	EN26	NA	NA	NA	41% ¹¹	NA
10.1	Percent of the cut-sheet paper offered in contract catalogs with FSC (Forest Stewardship Council) certification	EN26	NA	NA	NA	17% ¹²	NA



Thank you to all of the Office Depot Associates worldwide
who play a role in Taking Care of Business, People and the Planet every day.



This Corporate Citizenship Report is printed on environmentally preferable paper sourced in accordance with Office Depot's® Environmental Paper Purchasing Policy & Vision Statement. The body and cover are printed on New Leaf Imagination (an FSC-certified paper), made with 100% post-consumer fiber, processed chlorine-free, and manufactured with electricity that is offset with Green-e certified renewable energy certificates. The chain of custody for this paper has been tracked in accordance with FSC standards and certified by SmartWood (SW-COC-001401).

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