

OFFICE DEPOT INC
Form DEF 14A
June 13, 2016
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A
Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934

Filed by the Registrant

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Check the appropriate box:

Preliminary Proxy Statement

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Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

OFFICE DEPOT, INC.

(Exact Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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OFFICE DEPOT, INC.
6600 North Military Trail
Boca Raton, Florida 33496
NOTICE OF ANNUAL MEETING OF
SHAREHOLDERS

DATE	July 13, 2016
TIME	9:00 a.m. Eastern Daylight Time
LOCATION	Boca Raton Marriott at Boca Center 5150 Town Center Circle Boca Raton, FL 33486 (561) 392-4600
ITEMS OF BUSINESS	<ol style="list-style-type: none">1. To elect ten (10) members of the Board of Directors named in, and for the term, described in this proxy statement; 2. To ratify our Audit Committee's appointment of Deloitte & Touche, LLP as our independent registered public accounting firm for the current year; 3. To hold an advisory vote approving the company's executive compensation; and 4. To transact any other business that may properly come before the meeting and any adjournment thereof.
RECORD DATE	You must have owned Office Depot voting securities of record as of the close of business on June 9, 2016, to attend and vote at our Annual Meeting of Shareholders and any adjournment thereof.

ANNUAL REPORT

Our 2015 Annual Report on Form 10-K is enclosed with these proxy materials.

By order of the Board of Directors,

Elisa D. Garcia C.

Executive Vice President, Chief Legal Officer &

Corporate Secretary

Boca Raton, Florida

June 13, 2016

Please note that for security reasons, we will require that you present a picture identification if you attend our Annual Meeting. We reserve the right to exclude any person whose name does not appear on our official shareholder list as of our Record Date of June 9, 2016. If you hold shares in street name, you must bring a letter from your broker, or a current brokerage statement, to indicate that the broker is holding shares for your benefit. We also reserve the right to request any person to leave the Annual Meeting who is disruptive, refuses to follow the rules established for the meeting or for any other reason. Cameras, recording devices and other electronic devices, signs and placards will NOT be permitted at the meeting.

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PROXY STATEMENT
FOR THE
2016 ANNUAL MEETING OF SHAREHOLDERS
OF
OFFICE DEPOT, INC.
6600 North Military Trail
Boca Raton, Florida 33496

The Board of Directors of Office Depot, Inc. (Office Depot or the company or we or our) is soliciting proxies to be voted at our 2016 Annual Meeting of Shareholders to be held on July 13, 2016 (the Annual Meeting), at 9:00 a.m. Eastern Daylight Time, at Boca Raton Marriott at Boca Center, 5150 Town Center Circle, Boca Raton, FL 33486, and at any postponement or adjournment of the Annual Meeting. We are making this proxy statement available to our shareholders beginning on June 13, 2016. Our shareholders of record are invited to attend the Annual Meeting and are requested to vote on the proposals described in this proxy statement.

Purposes of the Meeting. Important matters outlined in the Notice of this Meeting will be considered at our Annual Meeting. We have provided these proxy materials to you in connection with the solicitation of proxies by our Board of Directors (Board of Directors or Board , or individually, each a Director). This proxy statement describes matters on which you, as a shareholder, are entitled to vote and provides you with information so that you can make an informed decision.

Voting Your Shares. You may vote your shares in one of the following ways: (1) in person at the Annual Meeting; (2) by voting electronically using a touch-tone telephone at 800-690-6903; or (3) by using the Internet to vote your shares at www.proxyvote.com. If your shares are held in street name with a broker or similar party, you have a right to direct that organization on how to vote the shares held in your account. You will need to contact your broker to determine whether you will be able to vote using one of these alternative methods. If you choose to use the Internet or telephone to vote, you must do so by 11:59 p.m. Eastern Daylight Time on July 12, 2016, the day before our Annual Meeting takes place.

Whether or not you plan to attend the Annual Meeting, we urge you to vote your shares by completing and returning the proxy card as promptly as possible, or by voting by telephone or via the Internet, prior to the Annual Meeting to ensure that your shares will be represented at the Annual Meeting if you are unable to attend.

OUR BOARD OF DIRECTORS RECOMMENDS:

that you vote **FOR** its nominees for Directors of the company as described in Proposal 1;

that you vote **FOR** the ratification of our Audit Committee's appointment of Deloitte & Touche LLP as our independent registered public accounting firm as described in Proposal 2; and

that you vote **FOR**, on an advisory basis, the approval of the company's executive compensation described in Proposal 3.

Shareholders Eligible to Vote at Our Annual Meeting; List of Shareholders Available. Owners of our voting securities as of the close of business on June 9, 2016 (the Record Date) will be entitled to vote at our Annual Meeting. Our official stock ownership records will conclusively determine whether you are a holder of record as of the Record Date. If your shares are registered directly in your name with our transfer agent, Computershare, you are a shareholder of record, and these proxy materials are being sent directly to you from the company. As the shareholder of record, you have the right to grant your voting proxy directly to the company or to vote in person at the Annual Meeting. If your shares are held in street name, meaning your shares are held in a brokerage account or by a bank or other nominee, you are the beneficial owner of these shares and these proxy

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materials are being forwarded to you by your broker, bank or nominee, who is considered the shareholder of record with respect to such shares. As the beneficial owner, you have the right to direct your broker, bank or nominee on how to vote and you will receive instructions from your broker, bank or other nominee describing how to vote your shares; however, you may not vote these shares in person at the Annual Meeting unless you obtain a legal proxy from the shareholder of record (i.e., your broker, bank or nominee) giving you the right to vote such shares.

A list of shareholders entitled to vote at the meeting will be available at our Annual Meeting and for ten days prior to the meeting between the hours of 9:00 a.m. and 5:00 p.m. Eastern Daylight Time at our corporate headquarters in Boca Raton, Florida. As of June 9, 2016, there were 550,058,806 shares of common stock outstanding and owned by shareholders (i.e., excluding shares held in treasury by Office Depot). Each share of common stock is entitled to one vote on each matter considered at our Annual Meeting.

Proxies. Our Board of Directors has appointed certain persons (proxy holders) to vote proxy shares in accordance with the instructions of our shareholders. If you authorize the proxy holders to vote your shares with respect to any matter to be acted upon, the shares will be voted in accordance with your instructions. If you are a shareholder of record and you authorize the proxy holders to vote your shares but do NOT specify how your shares should be voted on one or more matters, the proxy holders will vote your shares on those matters as our Board of Directors recommends. If any other matter properly comes before the Annual Meeting, the proxy holders will vote on that matter in their discretion.

If you are a beneficial owner of shares held in street name and do not provide your broker or nominee instructions on how to vote your shares a broker non-vote occurs. Under the rules of The NASDAQ Stock Market the organization that holds your shares (i.e. your broker or nominee) may generally vote on routine matters at its discretion but cannot vote on non-routine matters. If you are a beneficial owner of shares held in street name and the organization that holds your shares does not receive instructions from you on how to vote your shares on a non-routine matter, the organization that holds your shares will inform the Inspector of Election that it does not have the authority to vote on such matters with respect to your shares. Proposal No. 2 (ratification of appointment of the independent registered public accountant) is a matter the company believes will be designated routine. A broker or nominee may generally vote on routine matters. Proposal No. 1 (election of Directors) and Proposal No. 3 (advisory approval of the company's executive compensation) will be considered non-routine. A broker or other nominee cannot vote on non-routine matters without instruction. We strongly encourage you to provide voting instructions to your broker so that your vote will be counted on all matters.

Revocation of Proxies. You can change or revoke your proxy at any time prior to the voting at the Annual Meeting by the following methods:

if you voted by Internet or by telephone, by voting again via the Internet or by telephone;

by voting your shares by ballot in person at the Annual Meeting;

if you have instructed a broker, bank or other nominee to vote your shares, by following the directions received from your broker, bank or other nominee to change those instructions; or

mailing your request to our Corporate Secretary at our corporate headquarters, at 6600 North Military Trail, Boca Raton, FL 33496, so that it is received not later than 4:00 p.m. Eastern Daylight Time, on July 12, 2016.

Establishing a Quorum. In order for us to transact business at our Annual Meeting, the holders of the majority of the outstanding voting securities must be present, either in person or by proxy. Shareholders choosing to abstain from voting and broker non-votes will be treated as present and entitled to vote for purposes of determining whether a quorum is present.

Effect of Abstentions and Broker Non-Votes. Brokers who hold shares for the accounts of their clients may vote such shares either as directed by their clients or in their own discretion as discussed above. When a broker

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votes a client's shares on some but not all of the proposals at a meeting, the missing votes are referred to as broker non-votes. Abstentions and broker non-votes will not be counted as votes cast for or against any matter. Broker non-votes will not be counted as shares entitled to vote.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE SHAREHOLDER MEETING TO BE HELD ON JULY 13, 2016.

Solicitation of Proxies. In addition to soliciting proxies by mail, we also may solicit proxies in person, by telephone or over the Internet. Our employees do not receive additional compensation for their solicitation services. Certain banking institutions, brokerage firms, custodians, trustees, nominees and fiduciaries who hold shares for the benefit of another party (the beneficial owner) may solicit proxies for us. If so, they will mail proxy information to, or otherwise communicate with, the beneficial owners of shares of our common stock held by them. We will also reimburse brokerage firms and other custodians, nominees and fiduciaries for their expenses incurred in sending proxies and proxy materials to beneficial owners of our common stock.

Required Vote.

Election of Directors. In an uncontested election, each nominee must be elected by a majority of the votes cast. This means that the number of votes cast FOR a nominee must exceed the number of votes cast AGAINST the nominee. A properly executed proxy marked ABSTAIN with respect to the election of one or more Directors or shares held by a broker for which voting instructions have not been given will not be voted with respect to the Director or Directors indicated, although it will be counted for purposes of determining whether a quorum is present. In a contested election (an election in which the number of candidates exceeds the number of director positions to be filled), the number of Director nominees that equals the number of director positions to be filled receiving the greatest number of votes cast will be elected as Directors.

Ratification of Independent Registered Public Accounting Firm. Pursuant to the company's Bylaws, for the approval of the appointment of the company's independent public accountant, the vote required for approval shall be a majority of the votes cast on the matter. Accordingly, abstentions and broker non-votes will NOT be counted as votes AGAINST the proposal.

Advisory Vote Approving the Company's Executive Compensation. We will consider this proposal to be approved, on an advisory basis, if a majority of the shares present in person or represented by proxy (as counted for purposes of determining the existence of a quorum) and entitled to vote at the meeting cast votes FOR the proposal. Accordingly, abstentions and broker non-votes will be counted as votes AGAINST the proposal.

Other Matters. Approval of any other proposal to be voted upon at the Annual Meeting requires a majority of the votes present in person or represented by proxy (as counted for purposes of determining the existence of a quorum) and entitled to vote at the Annual Meeting to be voted FOR the proposal. Accordingly, abstentions and broker non-votes will be counted as votes AGAINST the proposal.

Householding of Annual Disclosure Documents. Two or more shareholders sharing an address can request delivery of a single copy of our annual disclosure documents if they are receiving multiple copies by calling Broadridge at (800) 542-1061 or writing to them at Householding Department, 51 Mercedes Way, Edgewood, NY 11717. In the same way, two or more shareholders sharing an address and receiving only a single copy of the annual disclosure documents can request to each receive a separate copy of the disclosure documents. If a broker or other nominee holds your shares, please contact Broadridge and inform them of your request by contacting Broadridge at the telephone number and address above. You may also contact your broker or nominee to make such a request. Please be sure to

include your name, the name of your brokerage firm, and your account number.

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MATTERS TO BE CONSIDERED BY OUR SHAREHOLDERS

PROPOSAL 1: TO ELECT TEN (10) MEMBERS OF THE OFFICE DEPOT, INC. BOARD OF DIRECTORS FOR THE TERM DESCRIBED IN THE PROXY STATEMENT

Nominees for Directors of Office Depot

The Office Depot board of directors consists of ten (10) members and it has nominated the ten (10) persons listed as nominees below for election as directors at the 2016 annual meeting. The directors elected at the annual meeting will serve until the next annual meeting, until their successors have been elected and qualified, or until their resignation or removal. All nominees are presently directors of Office Depot.

The Office Depot board of directors has determined that nine (9) director nominees satisfy the definition of independent director (referred to in this proxy statement as the independent directors) under the listing standards of The NASDAQ Stock Market.

Pursuant to the requirement in Office Depot's bylaws, should any of the nominees become unable to serve, Office Depot's Continuing Office Depot Directors Committee and Continuing OfficeMax Directors Committee may propose a substitute nominee. If a substitute nominee is named, all proxies voting FOR the director nominee who is unable to serve will be voted for the substitute nominee so named. If a substitute nominee is not named, all proxies will be voted for the election of the remaining director nominees (or as directed on your proxy). Each person nominated for election has agreed to serve if elected and the Office Depot management has no reason to believe that any director nominee will be unable to serve.

Each director nominee must be elected by a majority of the votes cast. This means that the number of votes cast FOR a director nominee must exceed the number of votes cast AGAINST the director nominee.

THE OFFICE DEPOT BOARD OF DIRECTORS RECOMMENDS THAT OFFICE DEPOT STOCKHOLDERS VOTE FOR THE ELECTION OF EACH OF THE DIRECTOR NOMINEES NAMED IN PROPOSAL 1 ON THE PROXY CARD.

Table of Contents**BIOGRAPHICAL INFORMATION ON THE NOMINEES*****ROLAND C. SMITH******AGE: 61***

Roland C. Smith was appointed as our Chairman and Chief Executive Officer in November 2013. Prior to joining Office Depot, Mr. Smith served as the President and Chief Executive Officer of Delhaize America, LLC, the U.S. division of Delhaize Group, and Executive Vice President of Delhaize Group, an international food retailer, from October 2012 to September 2013. Mr. Smith was a Special Advisor to The Wendy's Company, a restaurant owner, operator and franchisor, from September 2011 to December 2011, served as President and Chief Executive Officer from July 2011 to September 2011. Mr. Smith served as President and Chief Executive Officer of Wendy's/Arby's Group, Inc. and Chief Executive Officer of Wendy's International, Inc. from September 2008 to July 2011. Mr. Smith also served as Chief Executive Officer of Triarc Companies, Inc. from June 2007 to July 2011, and the Chief Executive Officer of Arby's Restaurant Group, Inc., a restaurant owner, operator and franchisor, from April 2006 to September 2008. Mr. Smith served as President and Chief Executive Officer of American Golf Corporation and National Golf Properties, an owner and operator of golf courses, from February 2003 to November 2005. He was President and Chief Executive Officer of AMF Bowling Worldwide, Inc., an owner and operator of bowling centers, from April 1999 until January 2003. Mr. Smith has been a director of Carmike Cinemas, Inc. (Carmike) since 2002. Since June 2009, he serves as Chairman of the Board and Chairman of the Compensation and Nominating Committee and as a member of the Executive Committee of Carmike's board.

Mr. Smith has extensive leadership experience, having served as President and Chief Executive Officer of both public and private companies and as a public company director, including experience as chairman of the board. Mr. Smith's strong track record in increasing operating profit, managing complex integrations, directing corporate turnarounds and transforming companies for future success, led the Board to conclude that he should be nominated as a director.

WARREN F. BRYANT***AGE: 70***

Warren Bryant joined our Board in November 2013 and has been the Lead Director since May 2016. Previously, Mr. Bryant was a director of OfficeMax Incorporated from 2004 to November 2013. From 2002 to 2008, Mr. Bryant served as a director and the President and Chief Executive Officer of Longs Drug Stores Corporation, a retail drug store chain on the West Coast and in Hawaii. From 2003 to 2008, he served as the Chairman of the Board of Longs Drug Stores. Mr. Bryant served as Senior Vice President of The Kroger Co., a retail grocery chain, from 1999 to 2002. From 1996 to 1999, he served as President and Chief Executive Officer of Dillon Companies, Inc., a retail grocery chain and subsidiary of The Kroger Co. From 2010 to 2013, Mr. Bryant served as a director of George Weston Limited, a Canadian public company. Mr. Bryant has also served as a director of The National Association of Chain Drug Stores from 2003 to 2008, and as Chairman of the Association during 2008. Mr. Bryant has also served as a director of Pathmark Stores, Inc., from 2004 to 2005. Since 2009, Mr. Bryant has served as a director of Dollar General Corporation. Since 2013, Mr. Bryant has also served as a director of Loblaw Companies Limited, a Canadian public company and Canada's food and pharmacy leader and largest retailer.

Mr. Bryant has an exceptional depth of experience in retail leadership, along with substantial experience in marketing, merchandising, operations and strategy. This extensive, relevant knowledge of the retail industry and his experience as a board member (including as a chairman) for several other public company retailers, led the Board to conclude that he should again be nominated as a director.

RAKESH GANGWAL

AGE: 62

Rakesh Gangwal joined our Board in November 2013. Previously, Mr. Gangwal was a director of OfficeMax Incorporated from 1998 to November 2013. From June 2003 to August 2007, Mr. Gangwal was the Chairman,

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President and Chief Executive Officer of Worldspan Technologies, Inc., a provider of travel technology and information services to the travel and transportation industry. From 2002 to 2003, Mr. Gangwal was involved in various personal business endeavors, including private equity projects and consulting projects. He was the President and Chief Executive Officer of US Airways Group, Inc., the parent corporation for US Airways mainline jet and express divisions as well as several related companies, from 1998 until 2001. Mr. Gangwal was also the President and Chief Executive Officer of US Airways, Inc., the main operating arm of US Airways Group, from 1998 until 2001. He was also the President and Chief Operating Officer of US Airways Group, Inc., and US Airways, Inc., from 1996 to 1998. Mr. Gangwal has been a director of CarMax, Inc. since 2011 and served as a director of PetSmart, Inc. from 2005 to 2015. Mr. Gangwal is also the co-founder of InterGlobe Aviation Limited (fka IndiGo Airlines), India's largest domestic airline and is currently serving as a director since 2015.

Mr. Gangwal has an exceptional depth of experience in commerce between businesses in the United States and internationally, with substantial experience in operations, technology, strategy, and finance. In addition to his experience as the President and Chief Executive Officer of a public company and his role as a board member for other large public companies, including two large, public retailers, led the Board to conclude that he should again be nominated as a director.

CYNTHIA T. JAMISON***AGE: 56***

Cynthia T. Jamison has served as a Director on our Board since August 2013. Ms. Jamison was the Chief Financial Officer of AquaSpy, Inc. from 2009 to 2012. From 1999 to 2009, she was a partner with Tatum, LLC, an executive services firm focused exclusively on providing Chief Financial Officer support to public and private companies. Prior to joining Tatum, she served as Chief Financial Officer of Chart House Enterprises and previously held various financial positions at Allied Domecq Retailing USA, Kraft General Foods, and Arthur Andersen LLP. Ms. Jamison's experience also includes her service, since 2004 and until 2015, as a director of B&G Foods, Inc. Since 2002, Ms. Jamison has served as a member of the board of directors for Tractor Supply Company and currently serves as the Chairman of the board. Ms. Jamison also serves as a director of Darden, Inc. since 2014 and a director of Big Lots, Inc. since 2015.

Ms. Jamison has extensive experience in financial and accounting matters, including public company reporting, as well as strategy and capitalization expertise, having served as Chief Financial Officer on the board of directors of many public and private companies. Ms. Jamison also brings key senior management, leadership, financial and strategic planning, corporate governance and public company executive compensation experience which led the Board to conclude that she should be nominated as a director.

V. JAMES MARINO***AGE: 65***

V. James Marino joined our Board in November 2013. Previously, Mr. Marino was a director of OfficeMax Incorporated from 2011 to November 2013. From 2006 until his retirement in August 2011, Mr. Marino was President and Chief Executive Officer of Alberto-Culver Company, a personal care products company. Prior to holding that position, Mr. Marino served as President of Alberto-Culver Consumer Products Worldwide from 2004 to November 2006, and as President of Alberto Personal Care Worldwide, a division of Alberto-Culver Company, from 2002 to 2004. Mr. Marino has been a member of the board of directors of PVH Corp. since 2007. He was also a member of the board of directors of Alberto-Culver Company from 2006 to 2011.

Mr. Marino has substantial prior leadership experience in commerce between businesses, both in the United States and internationally. Mr. Marino also has extensive experience in strategy development and execution, marketing and brand equity building. His consumer packaged goods background provides a unique perspective on the retail sector. His experience as the President and Chief Executive Officer of a public company and his role as a board member for other consumer products public companies led the Board to conclude that he should be nominated as a Director.

Table of Contents***MICHAEL J. MASSEY******AGE: 51***

Michael J. Massey has served as a Director on our Board since August 2013. Mr. Massey has served as the President and Chief Executive Officer of PetSmart, Inc. since March 2015. He has also served on the Policyowners Examination Committee of Northwestern Mutual Life Insurance Company since August 2014. Previously, Mr. Massey served as Chief Executive Officer and President of Collective Brands, Inc., an international shoe manufacturer and retailer, from June 2011 to October 2012, as Senior Vice President of Law from March 2003 to June 2011 and as General Counsel and Secretary from March 2003 to October 2012. He previously served in various executive roles at Collective Brands in corporate development and legal from 1996 to 2003, and served as President of Payless ShoeSource's international joint ventures, which included a total of over 200 stores. Prior to Collective Brands, Inc., he was counsel at The May Department Stores Company, a major American department store holding company, from 1990 to 1996. Since 2015, Mr. Massey also serves as a director for Retail Industry Leaders Association, Medical Management International, Inc. and PetSmart Charities.

As a former and current Chief Executive Officer of a retailer, Mr. Massey provides valuable retail experience and ability to provide meaningful insight to address issues affecting retailers. Additionally, Mr. Massey's international experience and global insights on issues affecting our overseas business as well as his strong governance experience gained as general counsel led the Board to conclude that he should be nominated as a director.

FRANCESCA RUIZ DE LUZURIAGA***AGE: 62***

Francesca Ruiz de Luzuriaga joined our Board in November 2013. Previously she was a director of OfficeMax Incorporated from 1998 to November 2013. From 1999 to 2000, Ms. Luzuriaga served as the Chief Operating Officer of Mattel Interactive, a business unit of Mattel, Inc., one of the major toy manufacturers in the world. Prior to holding this position, she served Mattel as its Executive Vice President, Worldwide Business Planning and Resources, from 1997 to 1999, and as its Chief Financial Officer from 1995 to 1997. Since leaving Mattel in 2000, Ms. Luzuriaga has been working as an independent business development consultant. From 2002 until 2005, she was also a director of Providian Financial Corporation. Since January 2012, she has been a director of SCAN Health Plan, a not-for-profit Medicare Advantage health plan. Since 2015, Ms. Luzuriaga also serves as a director of SuperValu, Inc., a retail grocery store chain.

Ms. Luzuriaga has substantial prior leadership experience in the operations and strategy side of businesses, both in the United States and internationally. This experience, together with her financial expertise, her experience in corporate finance, and her experience as a board member for other public companies, led the Board to conclude that she should be nominated as a director.

DAVID M. SZYMANSKI***AGE: 59***

David M. Szymanski joined our Board in November 2013. Previously, he was a director of OfficeMax Incorporated from 2004 to November 2013. Dr. Szymanski became the Dean of the University of Cincinnati Lindner College of Business in 2010. Prior to that, Dr. Szymanski was a Professor of Marketing and holder of the JC Penney Chair of Retailing Studies at Texas A&M University, where he had served since 1987. Dr. Szymanski served as the Director of the Center for Retailing Studies at Texas A&M University from 2000 to 2006. From 2004 until 2010, Dr. Szymanski was a director of Zale Corporation, and from 2004 to 2006, Dr. Szymanski was a director of the National Retail Federation Foundation Board.

Dr. Szymanski has held significant leadership positions in major universities. His great depth of knowledge regarding all aspects of the retail industry arising from his academic focus and his experience as a board member for another public company, led the Board to conclude that he should be nominated as a director.

NIGEL TRAVIS

AGE: 66

Nigel Travis has served as a Director on our Board since March 2012. Mr. Travis has been Chairman of the board of Dunkin' Brands Group Inc., a quick-service restaurant franchisor, since May 2013 and Chief Executive

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Officer since January 2009. From 2005 through 2008, Mr. Travis served as President and Chief Executive Officer of Papa John's International, Inc., an international take-out and delivery pizza restaurant chain. From 1994 to 2004, he had executive roles in Europe, International and Retail divisions of Blockbuster, Inc., culminating with the role of President and Chief Operating Officer from 2001 to 2004. Mr. Travis also held human resources and international roles for Burger King Holdings, Inc. from 1989 to 1994, prior to which he worked for Grand Metropolitan PLC since 1985. Mr. Travis' previous board service includes Lorillard, Inc. from 2008 to 2012, Papa John's International, Inc. from 2005 to 2008, Bombay Company from 2000 to 2007, and Limelight Group from 1996 to 2000.

Mr. Travis brings significant international, retail, human resources and operations experience to our Board, and as a public company Chief Executive Officer, he provides perspectives on leadership and strategy. In addition, Mr. Travis' particular knowledge of and extensive experience in senior management of manufacturing and consumer product businesses led the Board to conclude that he should be nominated as a director.

JOSEPH VASSALLUZZO

AGE: 67

Joseph S. Vassalluzzo has served as a Director on our Board since August 2013. He currently serves as a director on public company boards, including, since 2002, the Federal Realty Investment Trust, where he is Chairman of the Board of Trustees and LifeTime Fitness, since 2006, where he is the Lead Director. Mr. Vassalluzzo previously served on the board of directors of iParty Corp. from 2004 to 2013 and on the board of directors of Commerce Bancorp from 2005 to 2008 where he chaired various committees of both. He also operates a retail consulting business. Previously, among other roles, Mr. Vassalluzzo was employed by Staples, Inc. from 1989 until 2005, most recently as Vice Chairman. Additionally, his duties at Staples included world-wide responsibility for all of Staples' real estate activities, including, but not limited to, the development and management of all retail stores; distribution; office and warehouse centers; all engineering, construction and design activities; and facilities management.

Mr. Vassalluzzo's broad based experience in business, including his extensive experience in retail businesses, the office supplies business, and his service on the boards of a number of retailers, provides the Board and management with retail and retail real estate expertise that is essential to our core business. In addition, Mr. Vassalluzzo's executive and senior leadership positions at numerous retailers led the Board to conclude that he should be nominated as a director.

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CORPORATE GOVERNANCE

Board of Directors

Office Depot's business is overseen by its board of directors pursuant to Delaware law and Office Depot's certificate of incorporation and bylaws. Members of the Office Depot board of directors are kept informed of Office Depot's business through discussions with its Chairman and Chief Executive Officer (the CEO) and with key members of management, by reviewing materials provided to them and by participating in board and committee meetings. Members of the board of directors are elected annually by the stockholders.

The Office Depot board held twelve (12) meetings during 2015. Its independent directors met in four (4) executive sessions in 2015. In 2015, each of Office Depot's current directors attended at least 75% of the meetings of the board and standing committees on which the member served during the period the member was on the board or committee. Pursuant to the terms of Office Depot's corporate governance guidelines, it is the board's policy that each director should attend the annual meeting. All incumbent directors attended the 2015 annual meeting of stockholders.

Corporate Governance Guidelines

Strong corporate governance practices and the independence of the Office Depot board of directors are a long standing priority at Office Depot. These practices provide a framework within which the Office Depot board of directors and management can pursue Office Depot's strategic objectives and ensure long-term growth for the benefit of its stockholders. Office Depot's corporate governance guidelines may be viewed at Office Depot's corporate website, investor.officedepot.com, under the headings Corporate Governance/Governance Documents. In addition, a printed copy of Office Depot's corporate governance guidelines will be provided to any stockholder upon written request to Office Depot's corporate secretary. The Corporate Governance and Nominating Committee reviews the guidelines annually and any changes are recommended to the Office Depot board of directors for approval.

Board Leadership Structure

The Office Depot board of directors annually elects one of its own members as the chairman of the board of directors. Office Depot's bylaws provide that the chairman of the board may also be the CEO. Office Depot believes that there are a wide array of leadership structures that could apply to many different business models and, therefore, that Office Depot should have the opportunity to determine the ideal structure for its board leadership, which leadership structure may change over time.

The Office Depot board of directors has chosen the current leadership structure of a combined role of CEO and chairman because it provides Office Depot with unified leadership and direction. As CEO, Mr. Roland C. Smith is involved in the day-to-day operations of Office Depot, which enables him to identify developing trends and formulate and lead strategic initiatives. Given Mr. Smith's experience as a director of The Wendy's Company and as Chairman of the board of directors for Carmike Cinemas, Inc., where he is also Chairman of the Compensation and Nominating Committee, as well as his prior experience as CEO and President of Delhaize America, LLC; President and CEO of The Wendy's Company; President and CEO of Wendy's/Arby's Group, Inc.; and CEO of Wendy's International, Inc., Mr. Smith has extensive leadership experience and is aware of the issues of critical business importance that require elevation to the Office Depot board of directors.

The Office Depot board of directors believes that Office Depot's current governance structure, which provides for a combined CEO and chairman role and an independent Lead director who is charged with certain responsibilities indicated in Office Depot's corporate governance guidelines, ensures both independent oversight of the board of

directors and meaningful coordination between company management and the independent board members. Office Depot's combined CEO and chairman role, together with the assistance of its independent lead director, effectively serves the best interests of Office Depot and its stockholders because it provides Office Depot with strong, balanced, and consistent leadership.

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During fiscal year 2015, Mr. Nigel Travis served as Office Depot's lead director until the role was rotated to Mr. Warren Bryant in May 2016, pursuant to the terms of the Company's bylaws. The lead director has the following duties:

To preside over all meetings of the Office Depot board of directors at which the chairman of the board is not present;

To preside over all executive sessions of the independent directors;

To call meetings of the independent directors, as needed;

To meet regularly with the CEO;

To serve as a liaison between the CEO and the independent directors;

To develop the agendas for meetings of the independent directors;

To approve board of directors meeting agendas and schedules;

To review information sent to the board of directors; and

To meet with stockholders, as appropriate.

Director Independence

The Office Depot board of directors believes in the importance of experienced and independent directors. The board of directors evaluates the independence of each nominee for election as a director of Office Depot in accordance with the corporate governance guidelines, which incorporate the applicable listing standards of The NASDAQ Stock Market. The corporate governance guidelines require that a majority of the Office Depot board of directors must be independent within the meaning of The NASDAQ Stock market listing standards, and all directors who sit on Office Depot's Audit Committee, Compensation Committee and Corporate Governance and Nominating Committee, must also be independent directors.

All members of Office Depot's Audit Committee, Compensation Committee and Corporate Governance and Nominating Committee have been determined by the Office Depot board of directors to be independent directors. The Office Depot board of directors has reviewed the various relationships between members of the Office Depot board of directors and Office Depot and has affirmatively determined that none of its directors has a material relationship with Office Depot that would impair independence from management, other than Mr. Smith, who serves as Office Depot's chairman and CEO.

None of Office Depot's directors serves as an executive officer of a charitable organization to which Office Depot made contributions during 2015.

Board of Directors Role in Risk Oversight

The Office Depot board of directors has an active role in overseeing management of Office Depot's risks, directly and through its committees. The board oversees a formal enterprise-wide approach to risk management, designed to support the achievement of organizational objectives, including strategic objectives, to improve long-term organizational performance and enhance stockholder value. A fundamental part of risk management is not only understanding the risks a company faces and what steps management is taking to manage those risks, but also understanding what level of risk is appropriate for Office Depot. The involvement of the full Office Depot board of directors in setting Office Depot's business strategy is a key part of its assessment of management's appetite for risk and also a determination of what constitutes an appropriate level of risk for Office Depot.

The full board of directors participates in an annual enterprise risk management assessment, which is led by Office Depot's internal audit executive. In Office Depot's continuing risk assessment process, risk is assessed

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quarterly by a steering committee, comprised of members of management representing Office Depot's business units and corporate staff. This steering committee focuses on identifying and evaluating company-wide risks in four primary areas: financial risk, legal/compliance risk, operational/strategic risk and compensa