



Annual
REPORT
2018



A



LOJAS AMERICANAS



**Has it all,
by your
side**

The cover features a large, vibrant red shape on the left side, which is a rounded rectangle with a diagonal cutout. On the right side, there is a grey, rounded rectangular shape pointing towards the top right. The background is white. The text 'index' is written in a large, dark grey, lowercase sans-serif font. Below it, the word 'annual' is in a smaller, dark grey, lowercase sans-serif font, followed by 'REPORT' in an even smaller, dark grey, uppercase sans-serif font. To the right of 'annual REPORT', the year '2018' is written in a large, red, lowercase sans-serif font.

index
annual
REPORT
2018

AMERICANAS
express

01 MESSAGE FROM THE
management

01 MESSAGE FROM THE management

102-14, 102-15

MESSAGE FROM THE PRESIDENCY

In 2018, we made progress in adopting initiatives in line with Agenda 2030, of the United Nations Sustainable Development Objectives (SDO), mainly strengthening the role of people and communities. In partnership with third party institutes and organizations, we continue developing social projects focused on professional training and development. In line with our national presence, this year we expanded our activities in social and environmental projects and began working on fronts such as expanding the connectivity and digital inclusion of riverside communities in the Amazon, and continued with the technical training in retail operators in the state of Rio de Janeiro. In recognition of our work, for the fifth consecutive year, we achieved the Business Sustainability Index (ISE) the B3 – Brasil, Bolsa and Balcão. In addition, Lojas Americanas was listed in Guia Exame de Sustentabilidade as one of the most sustainable companies in the country. We received the highlight in the Social Responsibility category of ISTOÉ Dinheiro and obtained, for the fifth time, the environmental certification Green Seal, from the Chico Mendes Institute. We know that there is still a lot to be done, but we continue in the purpose of generating shared value, through our business and its capillarity.

Miguel Gutierrez – Director Superintendent

MESSAGE FROM THE MANAGEMENT

The year of 2018 was marked by a series of events in the spheres of political, economic and social life that influenced the country development. The retailer continues in a profound transformation.

In the context of accelerated transformation, in 2018, we created IF – Inovação e Futuro, out of Lojas Americanas and B2W operations, with the mission to build disruptive businesses, in addition to leverage various initiatives of the Companies. As the main verticals of this new unity, we should highlight: incubate new businesses, accelerate existing initiatives, invest in startups, lead the O2O fronts and prospect new opportunities. We have a conviction that the adoption of this initiative will give us an organizational agility compatible with the current time.

Project Ame, among the first initiatives of IF – Innovation and Future, is a Mobile Business Platform (financial products and a diverse set of services) that Lojas Americanas and B2W have developed together. In 2019, Project Ame has an incredible roadmap of new features and functionalities, making an important contribution to the future of LASA and B2W.

Throughout the year, according to our expansion plan “85 anos em 5 – Somos mais Brasil”, we inaugurated a record number of 196 new stores, totaling 1,490 stores in the end of the year, in 595 cities throughout the country. As a basis for reflection, since the beginning of the program - in 2015 - the number of stores grew 57% and our capillarity in different cities grew 71%, generating more than 17 thousand direct and indirect jobs.

In 2018, the gross revenue in the parent company reached R\$ 13.0 billion, a growth of 11.5%, compared to 2017. In Addition, in the same store sales concept, we registered a net revenue growth of 8.2%, a superior performance compared to the period inflation, and a growth of 3.7 p.p. in relation to the same period of last year. The net income was R\$ 380.5 MM, a growth of 60% in relation to 2017.

B2W had the year of 2018 marked by the resumption of the GMV growth, that reached R\$ 15 billion (+26.8% vs 11.5% of the market, source: Ebit). The Marketplace, important front of growth, reached a new record, with sales of R\$ 7.7 billion in 2018 (+71% vs 2017) and representing 51.6% of GMV. As a consequence, the Company presented again a strong reduction in cash consumption (improvement of R\$ 716 MM vs 2017).

01 MESSAGE FROM THE management

LET'S - shared management platform for the logistics and distribution assets of Lojas Americanas and B2W – presented impressive results, surpassing the expectation initially contemplated in its original business plan.

The year was also marked by the acceleration of important O2O – online to off-line initiatives, that through the synergies between Lojas Americanas and B2W Digital, allow the Companies to serve the clients in a fast and convenient way. Lojas Americanas as a seller in B2W Marketplace reached all the Brazilian states during the year and expanded the assortment for a lot of categories. The Click and Collect, in the beginning of 2018 was present in 400 stores, and now is available in more than 1,100 stores (all the eligible for this type of service), and expanded the assortment for the sellers that are in B2W Entrega (85% of the base). The Click and Collect Now, launched in June, is available in all Lojas Americanas in Brazil and offers selected assortment in each store for withdrawal within 1 hour.

In 2018, we figured by the fifth consecutive year in the Corporate Sustainability Index (ISE) of B3 – Brasil, Bolsa and Balcão, and advanced in the adoption of initiatives aligned with the agenda 2030, of the Sustainable Development Objectives of United Nations. The Company continues contributing to a future even more sustainable and prosperous to the society.

In this year of 2019, we are very happy with the 90th anniversary of Lojas Americanas and the 20th anniversary of Americanas.com and Submarino.

We take the opportunity to thank our customers, associates, suppliers and shareholders all of whom were a part of these achievements and motivate us to continue evolving day by day.

THE MANAGEMENT

“We Always Want More”



02 ABOUT THIS report

1940 1977 1979 1994 1997

50

am

ALGUNS AMERICANOS
muito estabelecidos, re-
gionais EDITORA de R\$ 1,75 e
de R\$ 10,1 milhões. A
AMERICANOS.COM atingiu o posto
de destaque para o ano. A
de R\$ 10,2 milhões.

o ano de importância
o valor da Lojas Americanas
novas lojas, foi o primeiro
comércio eletrônico
venture capital
AMERICANOS.COM
margem
o lucro

GRI 102-12, 102-46, 102-47, 102-48, 102-49, 102-50, 102-52,
102-53, 102-54, 103-1

ABOUT THE REPORT

Lojas Americanas is presenting in this Annual Report, which refers to the period from January 1 to December 31, 2018 from the Parent Company's* point of view, an approach that is aligned with the international Integrated Report guidelines. This methodology aims to highlight issues related to financial, human, social and relationship capital, intellectual, manufactured and natural, and the generation of business value for stakeholders.

Still in the line of improvement to communicate its performance to stakeholders, the Company adopts, for the sixth consecutive year, the guidelines pointed out by the Global Report Initiative (GRI), in the global model of indicators for reporting sustainability. The GRI Standards, the essential adherence option, was the set of

standards chosen. The Report also shows actions aligned with the Universal Principles of the Global Compact and the Sustainable Development Goals (SDGs), a Global Agenda initiative of the United Nations in Brazil and worldwide.

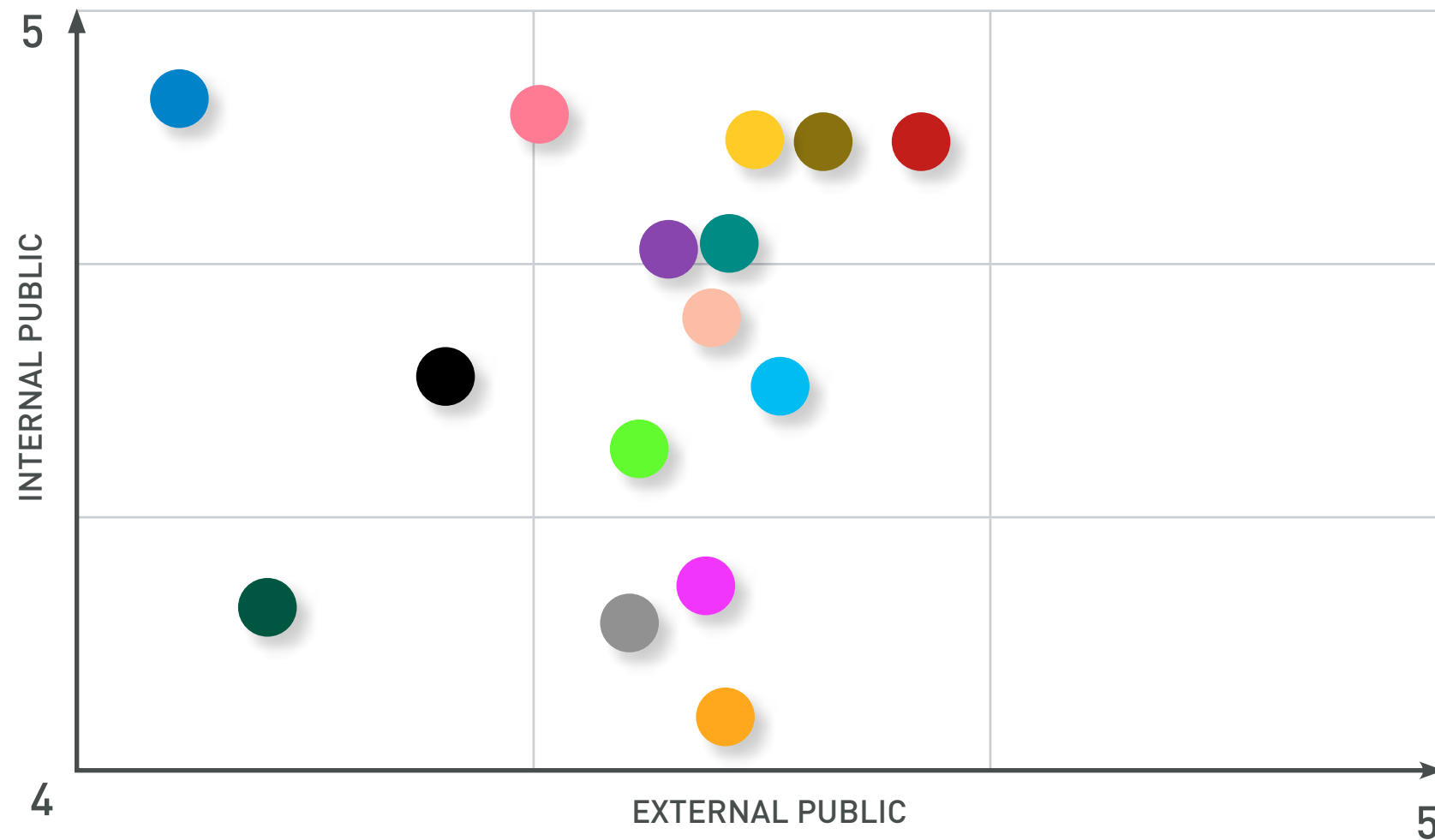
The information presented here includes the updating of the Materiality Matrix, with identified impacts, risks and sustainability opportunities. For a survey of the material themes, the methodology of the study consisted, in the first stage, of interviews with the senior management of different areas of the Company and a second stage, of evaluating the perception of stakeholders; which included associates, clients, suppliers, specialists, associations, academia, civil society, communities and investors through online questionnaires.

* B2W Digital's Annual Report is available at <https://ri.b2w.digital/>

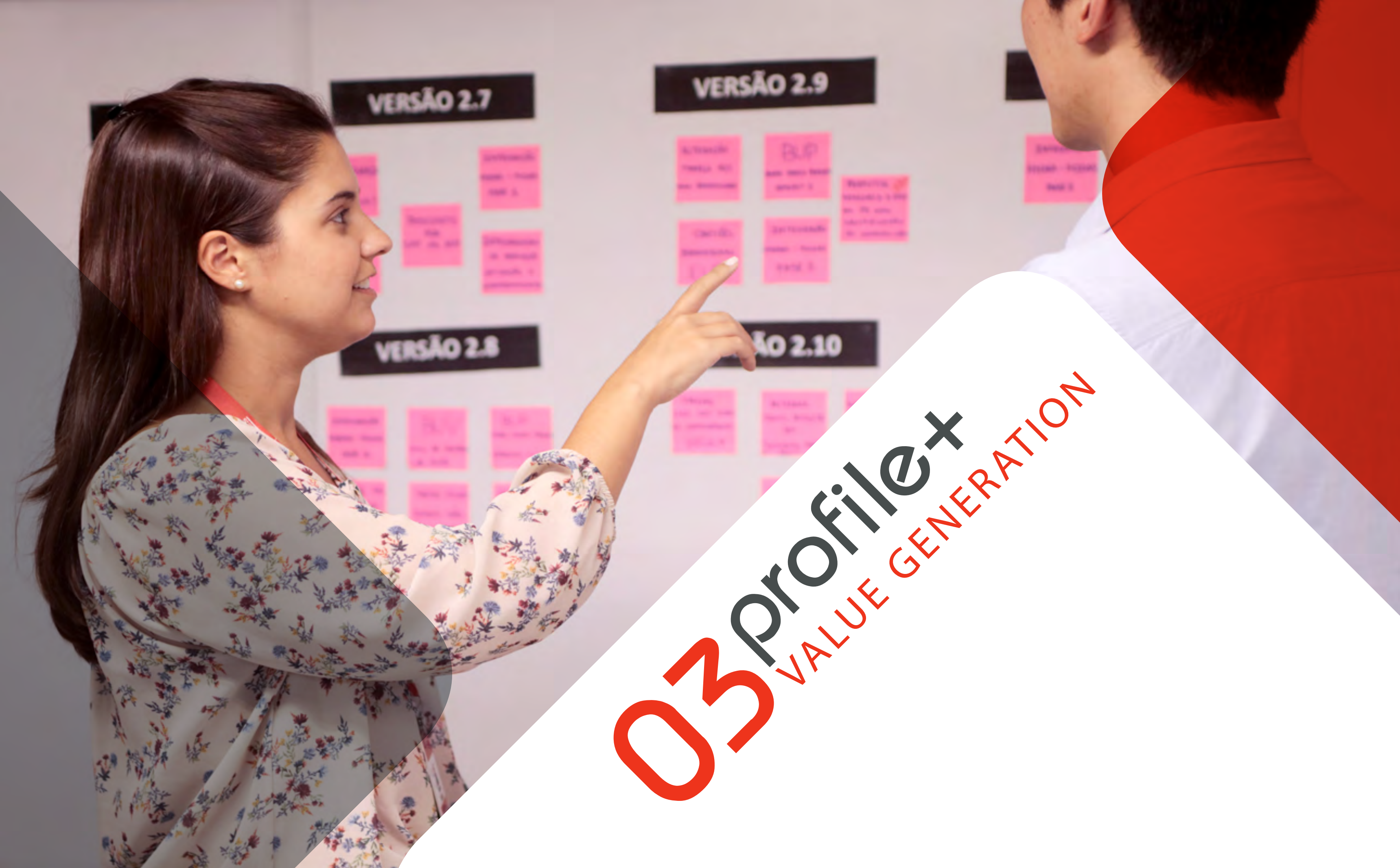
The consolidated and controlling company point of view is presented In the Financial Performance chapter.

HQ - MATERIAL THEMES

The results found allowed us to understand the relevant themes related to sustainability in order to strengthen the Company's performance. The indicators raised and the following chapters illustrate how Lojas Americanas guides its strategies. For further clarification and suggestions on the demands related to sustainability, environmental, social projects, occupational safety and other matters, the Company is available on Green Company channels, by means of the e-mail cia.verde@lasa.com.br, and also of the Investor Relations Department, at the e-mail investidores@lasa.com.br.



- Customer relationship and experience
- Customer health and security
- Customer information privacy
- Innovation and automation
- Workplace health and safety
- Workplace diversity and inclusion
- Associates training and development
- Corporate governance
- Job Generation
- Economic-financial performance
- Associates salaries and benefits
- Affordable prices
- Management transparency and communication
- Chain of responsibility
- Marketplace presence



03 profile+
VALUE GENERATION

GRI 102-1, 102-2, 102-3, 102-4, 102-5, 102-6, 102-7, 102-12, 102-16,
102-46, 103-1, 102-15

THE COMPANY

Lojas Americanas is a company that adopts a unique approach in order to provide the best service to its clients, offering its diverse formats of stores (traditional, express and, more recently, convenience - Local) and its digital platform (via B2W Digital, under the brands Americanas.com, Submarino, Shoptime and Sou Barato).

Founded in 1929, Lojas Americanas S.A. is one of the largest retailers in Brazil and is present in all the states of the country. With headquarters in the city of Rio de Janeiro, the Company ended the year 2018 with 1,126 thousand square meters of constructed area and a total of 1,490 stores, of which 196 were inaugurated in that period. It also has four Distribution Centers in Uberlândia, Recife, São Paulo and Rio de Janeiro.

The Company offers its own brands and a great assortment of products, as well as insurance and personalized services, to meet the needs of customers and provide excellent service and consumption experience. In total, approximately 60 thousand items of 2 thousand suppliers are sold in the physical stores. Regional specificities are also considered in the product mix strategy in order to meet the demands of their localities.

The shares of LOJAS AMERICANAS S.A. are listed in B3 S.A. – Brasil, Bolsa, Balcão (B3) under the codes LAME3 (common) and LAME4 (preferred).

MISSION

Fulfill consumer's dreams and meet the consumption needs of the people, sparing their time and money and exceeding their expectations.

VALUES

- Have the best people
- Being a good "business owner"
- Seek excellence in operation
- Focus on the customer
- Do more and better every day
- Being obsessed with results

VISION

To be the best retail company in Brazil.

The best company means:

- by customers, be considered the best option for purchases;
- by Shareholders / Investors, to be considered the best return in the segment;
- by the associates, be considered the best option for professional development;
- by the suppliers, to be considered the best distribution channel;
- by society, to be considered a socially and ecologically responsible company.



85 YEARS IN 5

Constantly expanding, Lojas Americanas reaffirms its commitment to maintain growth to achieve the goal of 800 new stores between 2015 and 2019, the objective of the “85 years in 5 - We are Brazil” program.

TOTAL STORES

REGION	STORES	%
Southeast	788	52.9%
North/Northeast	293	27.4%
South/Mid-West	409	19.7%
TOTAL	1490	100%

OUR BRANDS

Lojas Americanas has 15 own brands designed especially for those who seek quality and fair price in several categories and offers more than 6 thousand products in the following segments; clothing, hygiene and personal care, welfare foods, biscuits, chocolates, school and office supplies, electronics, toys, household goods and decoration products.



LOJAS AMERICANAS

For those who search the maximum of possible items in one place and do not give up the economy.

45 departments to serve a diverse public.

Up to 60 thousand items.

Average sales area of 1,000 m².

AMERICANAS *express*

For those looking for most wanted and low-priced items.

Products selected for the local consumer profile.

Up to 15 thousand items.

Average sales area of 400 m².

local AMERICANAS

For those looking for products of convenience and immediate consumption.

Products for food convenience.

In 2018, entry into São Paulo.

Area between 50 and 100 m².

+AQUI

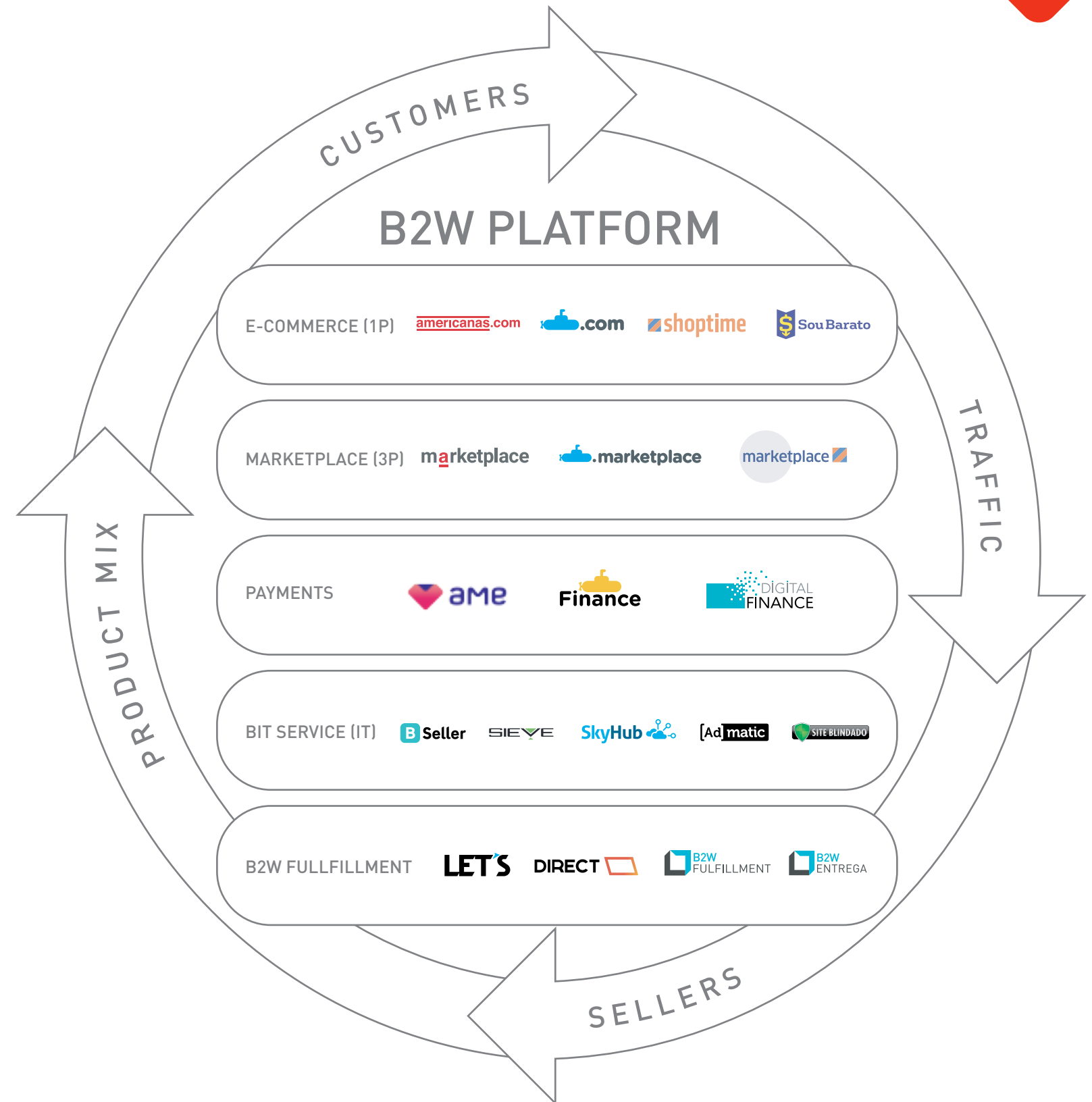
Platform responsible for the management and promotion of services at Lojas Americanas and offers customers solutions in vertical credit, insurance, content cards, services and sales operations.

B2W DIGITAL

B2W Digital, the largest and most beloved Digital Company in Latin America, which has in its portfolio the brands Americanas.com, Submarino, Shoptime and Sou Barato, aims to connect people, businesses and services in a digital platform. This platform allows the Company to also offer technology, logistics, distribution, customer service and consumer finance services, in addition to enabling the development of new business models. In total, there are more than eight million products available to our customers.



Lojas Americanas is the controlling shareholder of B2W Digital, with a 61.51% interest. The shares are traded through the BTOW3 code in B3, in the Novo Mercado (New Market) segment. To learn more about B2W Digital, go to: <https://ri.b2w.digital/>





IF – INNOVATION AND FUTURE

Faced with the context of accelerated transformation of the physical and digital worlds, and in order to capture the opportunities generated by this new business environment, in 2018, IF – Innovation and Future was created, outside Lojas Americanas and B2W operations. IF was conceived with the mission of creating disruptive business and leveraging various initiatives of the Companies. IF's main verticals include: incubating new business, accelerating existing initiatives, investing in startups (venture capital), leading the O2O fronts, and prospecting new opportunities, including M&A operations.



AME

Project Ame, among the first initiatives of IF – Innovation and Future, is a Mobile Business Platform (financial products and a diverse set of services) that Lojas Americanas and B2W have developed together. Initially launched on the B2W sites (Americanas.com, Submarino, Shoptime, and Sou Barato) and in the physical stores of Lojas Americanas, the Ame app already has 2.5 million downloads*.

The goal of Ame is to revolutionize the way people deal with money, improving the lives of customers through its features and new services and products, saving time, money and delivering an even better experience. The project has been gaining strong traction at Lojas Americanas and B2W, surpassing all initial expectations. Ame has a key functionality (cashback) that drives customer purchase frequency and higher average ticket (AOV), generating greater spending.

* as of June 2019.

O2O

Lojas Americanas and B2W continue accelerating the important initiatives O2O - Online to Offline. The physical and online experience allows us to lead the market by offering the best of both worlds. By 2018 more than 1.2 million customers purchased through these initiatives.

Click and Collect: Customer purchases online and withdraws the product in the store. It is currently available in more than 1,100 stores, all eligible among the total of the Company, being the only click and collect model with presence in all Brazilian states. In addition, all B2W Marketplace sellers operated by B2W Delivery also have access to the service, making it easier for customers. Among the customers who used this service, 54% bought other products at the time of withdrawal in the store.

Click and Collect Now: Customer buys online the store inventory with in-store pickup within 1 hour without freight charges. Today we are operating in all the 1,490 stores of the Company with a selected assortment.

Lojas Americanas in B2W Digital's Marketplace: In 4Q18, Lojas Americanas expanded its operations as a seller in the B2W marketplace to all states in the country. In 2018, more than 3,000 cities have received at least one request of this sales channel, proving your ability to increase coverage of the company. For 2019, the increasing of assortment of products and the provision of new services will be accelerated, offering even more convenience for customers.

LASA Entrega (ship from store): Lojas Americanas and B2W launched in mar/19 the "ship from store", enabling customers to purchase products online from Lojas Americanas and receive the items in your address within 2 hours.

LET'S

LET'S – LOGISTICS AND DISTRIBUTION

Shared management platform for the logistics and distribution assets of Lojas Americanas and B2W Digital, which aims to optimize the operations of the Companies through a flexible model of fulfillment.

Area and equipment optimization: Throughout the year, as part of the captured synergies between the two companies, we have evolved substantially in the area and equipment optimization. Thus, from the idle spaces and machines of companies in different periods of time we can meet the needs of each more efficiently and costeffectively.

DC Local: We started the operation of a specialized DC to Local within a B2W DC. Taking advantage of the experience in picking of B2W Digital and, in the context of increased synergies between the companies, this initiative aims to benefit the logistics and distribution process of the new intensive format in deliveries.

**Interbrand
Marcas
Brasileiras
Mais Valiosas**

Most Valuable Brazilian Brands
Brand value of R\$ 1,157M
Interbrand



Most Valuable Brands of Brazil
Most valuable retailer in Brazil
IstoÉ Dinheiro

**REPUTATION
INSTITUTE**



Reputation Pulse
1st place in the category "Retail"
Reputation Institute



Brands More
1st place in the category Home
Appliances and Furniture Stores
O Estado de S. Paulo



BrandZ LATAM
Brand value of U\$ 1.025M
BrandZ Latam



Época Reclame Aqui
1st place in retail
Época Negócios



Chico Mendes Socio-environmental Award
5th consecutive year of the
Green Seal Award
Instituto Chico Mendes



Best Services
Department Store Card: 1st place
O Estado de S.Paulo



The Powerful Stores of Retail
The only Brazilian retailer to be listed
Deloitte



Best of Dinheiro
Featured in Social Responsibility
Management
13th place among the Super 20
IstoÉ Dinheiro



Espaço Brinquedo Magazine
Market Store Reference
Revista Espaço Brinquedo



The Best of São Paulo - Services
1st Place in Department Stores
Folha de S.Paulo



The Most Beloved of Rio
1st place in Appliance Store
Veja Rio



Best and Biggest
43th place among 1000 majors
Exame



Época Negócios 360°
28th out of 300 best
Época Negócios



Guia Exame de Sustentabilidade
Listed as one of the most sustainable
companies in the country
Exame



120 Largest Brazilian Retail Companies

Image Ranking (Department Stores): 1st place

General Image Ranking: 3rd place

Billing Ranking (Productivity): 1st place

Overall Billing Rank: 5th place

IBEVAR



300 Largest Brazilian Retail Companies

50 Largest Groups: 4th place

1st place in Category Department Stores, Household Goods and General Goods

SBVC



Companies More

Best in Governance: Highlight in Business Management, Highlight in Innovation Results and Leadership for Innovation

O Estado de S.Paulo

FINANCIAL

Growth of 11,4%
in net revenue

Net income of
R\$ 380.5 million,
surpassing its performance
in 2017 by 60,1%

Investment of
R\$ 949.2 million

0.9x Net Debt/EBITDA

MANUFACTURED

196 stores opened

Stores in 595 cities

4 Distribution Centers

INTELLECTUAL

Projects and strategic
partnerships with PUC-Rio
and UFRJ

Artificial intelligence
projects focused on
optimizing customer service

+ 6 thousand products
from 15 own brands

SOCIAL AND RELATIONSHIP

New social projects focused on youth
employability

100% of complaints on the Reclame
Aqui website were responded

1st retailer in number
of Facebook fans

HUMAN

+ 25,000 associates

+ 17 thousand direct
and indirect jobs generated
since 2015

422 thousand
hours of training

NATURAL

Compensation of 100% of its
administrative greenhouse gas
(GHG) emissions

Zero Cardboard Project

Renewable energy sources

RISK MANAGEMENT

In order to maintain its competitiveness and permanence in the market, Lojas Americanas maps and controls the risks inherent to its activities and industry. A policy that establishes principles, guidelines and responsibilities to be observed is part of its strategic planning. The Company's main risks are related to the possibility of losses of assets, customers or revenues (operational risks), economic instability and changes in the social environment (macroeconomic and social risks). The Company has protection instruments to minimize these and other possible risks, under the management of directors and supervision of the Board of Directors, in addition to the participation of the Sustainability Committee and the Fiscal Council.

SCENARIO OPPORTUNITIES

The year 2018 was marked by a series of events in the political, economic and social spheres, at both the national and global levels, which influenced the development of our country. Retailing continues in profound transformation. Gross Domestic Product (GDP) grew 1.1%, second consecutive annual increase after 2 years of retraction. There was a fall in the unemployment rate in the country, which reached 1.7%, the lowest percentage since 2016. The Ibovespa, the main index of the Brazilian stock exchange (B3), closed the year with appreciation of around 12% and, in December, reached 89 thousand points, registering historical maximum. Retailers also had high: 2.3% in sales volume, best result since 2013. In recent years, Black Friday has been standing out in relation to other commemorative dates in Brazil and, according to research of the financial information company Boa Vista SCPC; in September and October 2018, 40% of the customers wanted to take advantage of the offers in the physical stores.

04 governance



04 governance

GRI 102-12, 102-16, 102-17, 102-18, 102-19, 102-22, 102-23, 102-24, 102-25, 102-26, 102-29, 102-30, 102-31, 103-2, 103-3, 201, 1, 414-1

UNGC PRINCIPLES 1, 2, 4, 5, 6, 10

SDGs 16, 17

GOVERNANCE

At Lojas Americanas, good corporate governance practices are based on values such as transparency, fairness, accountability, ethics, clarity of account rendering and fluidity of information, and favor its credibility in the market and its relationship with its stakeholders. Based on these principles, the Board of Directors, Board of Executive Officers and internal committees guide business decisions.

Lojas Americanas has been listed on B3 - Brasil, Bolsa, Balcão since 1940 and has a shareholding base composed of common shares (LAME3) and preferred shares (LAME4). The preferred shares are part of the Ibovespa, the most important indicator of the average performance of the Brazilian stock market. Since 2017, it is in the special listing segment Level 1 of Corporate Governance. In addition, Lojas Americanas is also part of other important indices such as IBRX-50, ISE, ITAG, ICO2, ICON, IVBX-2, MLCX and MSCI-Barra.

04 governance

BOARD OF DIRECTORS

The Company has a Board of Directors composed of eight effective members, who are elected at a General Meeting, to exercise their mandate in a two-year term (with the right to re-election), all of them representing controlling shareholders. The elected directors are responsible for choosing the Chairman of the Board and all must be shareholders.

The body has the attributions conferred upon it by law and by its by-laws; it is also responsible for: electing and dismissing the directors, establishing attributions and criteria for substitution; determine the distribution of the remuneration fixed by the General Meeting for its members and executive officers; resolve on the issue of shares, warrants and commercial promissory notes. The Board of Directors meets formally at least four times a year.

MEMBERS OF THE BOARD OF DIRECTORS

Carlos Alberto da Veiga Sicupira / Chairman of the Board of Directors

Cecília Sicupira / Effective Counselor

Claudio Moniz Barreto Garcia / Effective Counselor

Miguel Gomes Pereira Sarmiento Gutierrez / Effective Counselor

Paulo Alberto Lemann / Effective Counselor

Paulo Veiga Ferraz Pereira / Effective Counselor

Roberto Moses Thompson Motta / Effective Counselor

Sidney Victor da Costa Breyer / Effective Counselor

André Street de Aguiar / Alternate Counselor*

*updated on May 1, 2019

04 governance

BOARD OF DIRECTORS

Elected by the Board of Directors, for a period of one year with the right to re-election, the board of directors is composed of 12 directors, one of whom is designated as Superintendent Officer. The board of directors acts as a collegiate body in the deliberations on all matters that, pursuant to law and the Company's Bylaws, must be submitted to the Board of Directors, notably the Annual Report and the Financial Statements; the Monthly Balance Sheets, proposals for capital increase and distribution of dividends and any other resolutions that transcend the ordinary limits of the specific attributions of each Director.

MEMBERS OF BOARD OF EXECUTIVE OFFICERS

Miguel Gomes Pereira Sarmiento Gutierrez / Director Superintendent

Andrea Silva Barra / Director

Anna Christina Ramos Saicali / Director

Carlos Eduardo Rosalba Padilha / CFO and Investor Relations Officer

Celso Alves Ferreira Louro / Director

João Guerra Duarte Neto / Director

José Timotheo de Barros / Director

Marcelo Pinto / Director

Márcio Cruz Meirelles / Director

Maria Christina Ferreira Nascimento / Director

Milena de Andrade Sacramento / Director

Wellington de Almeida Souza / Director

04 governance

COMMITTEES

The Board of Directors and the Board of Executive Officers determine the Company's guidelines supported by four internal committees: Finance Committee, People and Compensation Committee, Digital Committee and Sustainability Committee. The committees function as working groups, with defined objectives to report on issues or situations, as well as present their recommendation to the highest governance body of Lojas Americanas. The Sustainability Committee meets weekly, and other committees meet at least once every quarter, or extraordinarily whenever called by its chair.

FINANCE COMMITTEE

The main purpose of the Finance Committee is to inform and advise the Board of Directors regarding all decisions involving the Company's financial policies, ensuring that the Company always complies with its obligations, policies and financial responsibilities.

DIGITAL COMMITTEE

The main purpose of the Digital Committee is to advise the Board of Directors on the fulfillment of its responsibilities of digital supervision in the areas of technology and technology involved in the commerce through internet, television, mobile telephony, directly to the consumer as well as emerging channels.

04 governance

PERSONNEL AND COMPENSATION COMMITTEE

The main purpose of the Personnel and Compensation Committee is to inform the Board of Directors in relation to all decisions involving the personnel and compensation policies of the Company, aiming at; (i) that members of the Board of Directors, Board of Executive Officers and all associates have incentives to achieve exceptional results and are properly rewarded; and (ii) that the Company be able to attract, capture, retain and develop the best professionals and leaders, guaranteeing the succession of its main executives.



SUSTAINABILITY COMMITTEE

The main objective of the Sustainability Committee is to advise the Board of Directors on the definition of corporate sustainability guidelines, acting in accordance with Agenda 2030, in which society; governments and companies are committed to developing the United Nations (UN) Sustainable Development Goals (SDGs) by the year 2030.

The Committee known as Companhia Verde (Green Company) represents a multidisciplinary vision for the Company and its actions aim to foster the best management practices, based on the balance between the environmental, social and economic pillars.

04 governance

FISCAL COUNCIL

Lojas Americanas also has a non-permanent Fiscal Council composed of three members: one appointed by the controlling shareholders, one by the preferred shareholders and one by the common shareholders.

100% TAG ALONG OF THE SHAREHOLDERS

Since 2006, Lojas Americanas' Bylaws has been committed to granting full Tag Along (100%) to the Company's common and preferred shares. As a result, all Lojas Americanas shareholders have equal treatment in the event of an exchange of control of the Company, being assured the right to sell their shares under the same conditions negotiated by the controlling shareholders.

DIVIDEND POLICY

In 2018, shareholders were proposed to distribute earnings of R\$ 120.0 million in interest on shareholders' equity (before withholding tax), based on net income for the year. The Company's Bylaws, in line with the principles of current legislation, set the minimum dividend amount at 25% of net income for the year, after the formation of a 5% legal reserve.

STOCK REPURCHASE PROGRAM

Lojas Americanas maintains a stock repurchase plan of the Company with the purpose of leaving them in treasury or later cancellation. The last program, which was closed on May 9, 2019, provides for the repurchase of up to 10,000,000 registered book-entry common shares and 10,000,000 registered book-entry preferred shares.

04 governance

POLICIES AND REGULATIONS

During 2018, Lojas Americanas maintained its commitment in the fight against corruption and in promoting ethics in the relationship with all its stakeholders. In addition to the Code of Ethics and Conduct, approved by the Board of Directors and Board of Executive Officers, the Company has a Compliance and Anti-Corruption Policy, valuing integrity, transparency and solidarity.

Throughout the year, the Company updated and formalized 10 more policies and regulations in order to increasingly follow the best practices of Corporate Governance. These policies and regulations contribute to the governance process by establishing rigid norms and severe penalties for offenders and fraudulent perpetrators.

Also in 2018, we highlight the signing of the Business Pact for Integrity and Against Corruption of the Instituto Ethos. Accordingly, we are committed to disclose Brazilian anticorruption legislation to all our stakeholders, so that it can be fully complied with. In addition, the Company undertakes to prohibit any form of bribery, work for legality and transparency in contributions to political campaigns, and prioritize for transparency of information and collaboration in investigations when necessary.

Another initiative that reinforces the commitment to improve our management practices is the evolution of the level of engagement of our accession in 2018 of the United Nations Global Compact, which we have been part of since 2013.

In this sense, Lojas Americanas promotes and values the diffusion of principles of protection and appreciation of human rights, highlighting these terms in commercial contracts with the purpose of collaborating in the eradication of forced labor and in the fight against any practice that does not respect the Principle of Human Dignity in the productive chain of value. All contracts impose specific punitive clauses such as fines and immediate loss of accreditation in case of this type of irregularity.

04 governance

CODE OF ETHICS AND CONDUCT

The Code of Ethics and Conduct of Lojas Americanas intends to guide the attitudes and behaviors that must be practiced by the Company's stakeholders. In 2018, this document was reviewed and approved by the Board of Directors. All members joining the Company receive training on the Code.

Respect for differences and the growing concern with social responsibility, in which socio-environmental and health and safety issues are included in daily business management, also reflect the Company's relations with its associates and with society. The Company Code also contains clear statements regarding the situation that may arise regarding a conflict of interest: business transactions must be conducted in the interests of Lojas Americanas, and no individual, commercial entity, or legal entity, who maintains a relationship with an associate, may obtain any benefit due to the position of this associate in the Company.

Lojas Americanas makes available to its professionals, customers, suppliers and all interested parties the Channel of Complaints, available 24 hours a day; so that the Company can be aware of and can deal with any type of behavior that is not in line with its Code of Ethics and Conduct and / or that may cause any type of damage or loss. The complaints received are treated confidentially and the denouncer has his or her identity preserved.

CHANNEL OF COMPLAINTS - 0800 282 25 50

www.canaldedenuncias.com.br/lasaeb2w

Access <https://ri.lasa.com.br/en/governanca-corporativa/codigo-de-etica-e-conduta> and see the Code in its entirety

05 Financial PERFORMANCE



GENERAL CONSIDERATIONS

The comparison of the information presented refers to the results of Lojas Americanas in the fiscal years ended December 31st, 2018 and 2017, unless otherwise indicated. The accounting information that serves as the basis for the comments that follow are presented in accordance with the international financial reporting standards (IFRS), and the rules issued by the Brazilian Securities Exchange Commission (CVM) and in Reais (R\$).

PARENT COMPANY			FINANCIAL HIGHLIGHTS (R\$ MM)	CONSOLIDATED		
2018	2017	VAR. (%)		2018	2017	VAR. (%)
12,959.5	11,626.4	11.5%	GROSS REVENUE	20,842.8	19,249.4	8.3%
11,349.9	10,192.4	11.4%	NET REVENUE	17,689.8	16,345.5	8.2%
4,403.9	4,047.0	8.8%	GROSS PROFIT	6,059.6	5,360.9	13.0%
38.8%	39.7%	-0.9 p.p.	GROSS MARGIN (%NR)	34.3%	32.8%	+1.5 p.p.
2,361.1	2,197.5	7.4%	ADJUSTED EBITDA	2,791.8	2,580.3	8.2%
20.8%	21.6%	-0.8 p.p.	ADJUSTED EBITDA MARGIN (%NR)	15.8%	15.8%	-
380.5	237.6	60.1%	NET INCOME	380.5	237.6	60.1%
3.4%	2.3%	+1.1 p.p.	NET MARGIN (%NR)	2.2%	1.5%	+0.7 p.p.

The table includes the CPC 47/IFRS 15 and CPC 48/IFRS 9 adjustments, as indicated in page 3 (accounting changes).

ACCOUNTING CHANGES

From 2018 onwards, the CPC 47/IFRS 15 – Revenues from Customer Contracts – and CPC 48/IFRS 9 – Financial Instruments – came into effect. In order to facilitate the analysis of the results presented in this report, as well as to guarantee transparency, the Company opted to restate the results for the same period of 2017 (4.18 - 2017 New Criteria vs. 2017 Old Criteria and 4.19 – 4Q17 New Criteria vs. 4Q17 Old Criteria), following the CPCs/IFRS orientations. The main impacts in the 4Q18 results are described below:

Services: Previously, sales revenue, taxes and cost of sales were registered, currently, only commission on sales and taxes are recorded.

Intercompany operations: Previously, sales revenue, taxes and cost of sales were recorded and currently only the comission on sales and taxes are registered.

Commercial Agreements with Suppliers (related parties): Previously were recorded as a deduction from selling expenses and currently recorded as a deduction from cost of sales.

Conditional Discounts: Previously registered as financial expenses and, currently, registered as a deduction from gross revenue.

The 4Q18, 4Q17, 2018 and 2017 data are presented over the press release in accordance with the new accounting standards.

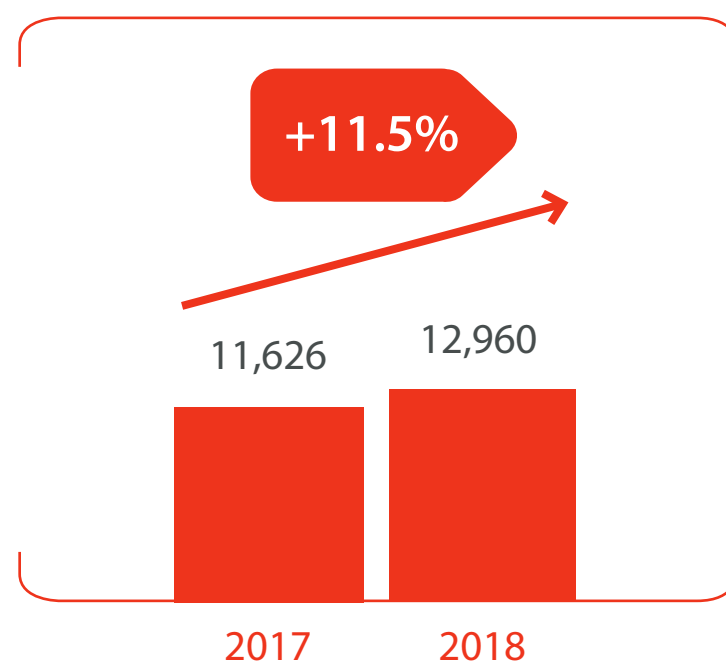
GROSS MERCHANDISE VOLUME (GMV)

The Gross Merchandise Volume (GMV) presents consolidated gross sales and service revenue plus sales made on B2W Digital's Marketplace platforms. In the 4Q18, the consolidated GMV reached R\$ 9.5 billion, a growth of 20.6% compared to the 4Q17. In 2018, the consolidated GMV reached R\$ 27.8 billion, a growth of 19.2% compared to 2017.

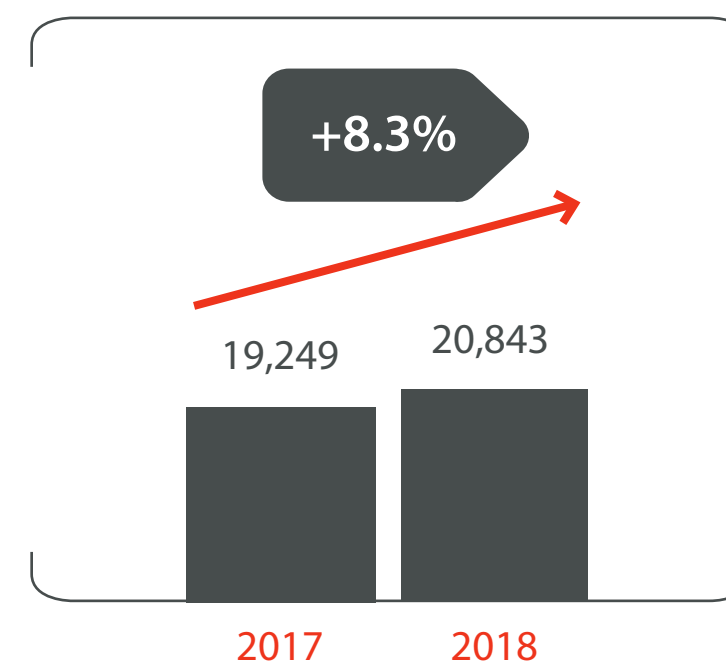
GROSS REVENUE

In the 4Q18, the parent company's gross revenue was of R\$ 4.5 billion, an increase of 10.0% compared to the 4Q17. For the consolidated, the gross revenue reached R\$ 6.9 billion, a growth of 10.2% compared to the same period of the previous year. In 2018, the parent company's gross revenue was of R\$ 13.0 billion, an expansion of 11.5% in relation to 2017 and, regarding the consolidated, the gross revenue reached R\$ 20.8 billion, a growth of 8.3% in relation to 2017.

PARENT COMPANY GROSS REVENUE
(R\$ MILLION)



CONSOLIDATED GROSS REVENUE
(R\$ MILLION)

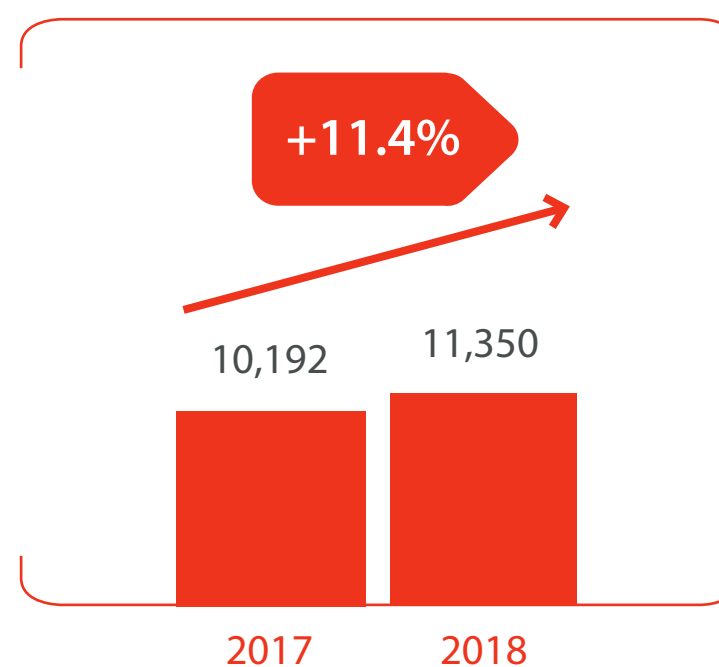


NET REVENUE

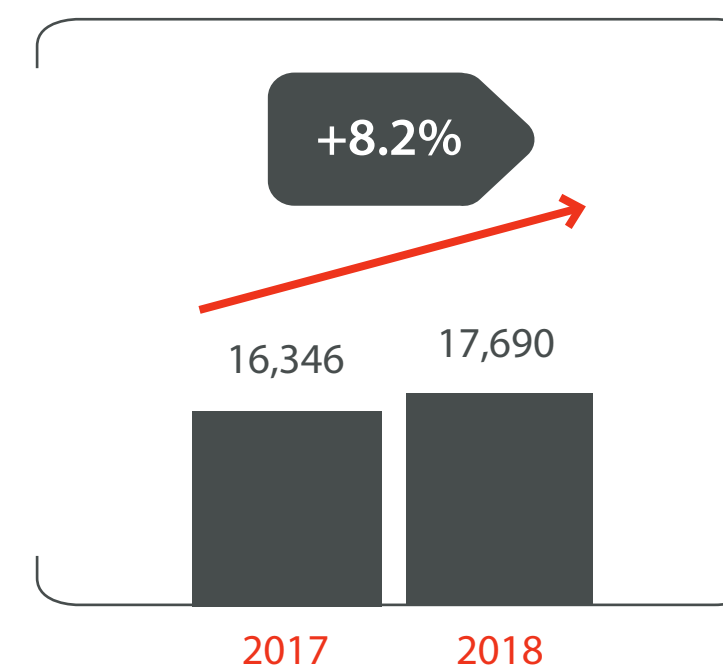
In the 4Q18, the parent company's net revenue was of R\$ 4.0 billion, a growth of 10.2% compared to the 4T17. In the consolidated, the net revenue was R\$ 5.9 billion, an expansion of 9.7% compared to 4Q17. In 2018, the parent company's net revenue was R\$ 11.3 billion, an expansion of 11.4% in relation to 2017, and in the consolidated, the net revenue reached R\$ 17.7 billion, an increase of 8.2% in relation to 2017.

For the 4Q18, the growth in the net revenue regarding the "same store" concept was of 7.3% in comparison to 4Q17 and 8.2% against the year of 2017.

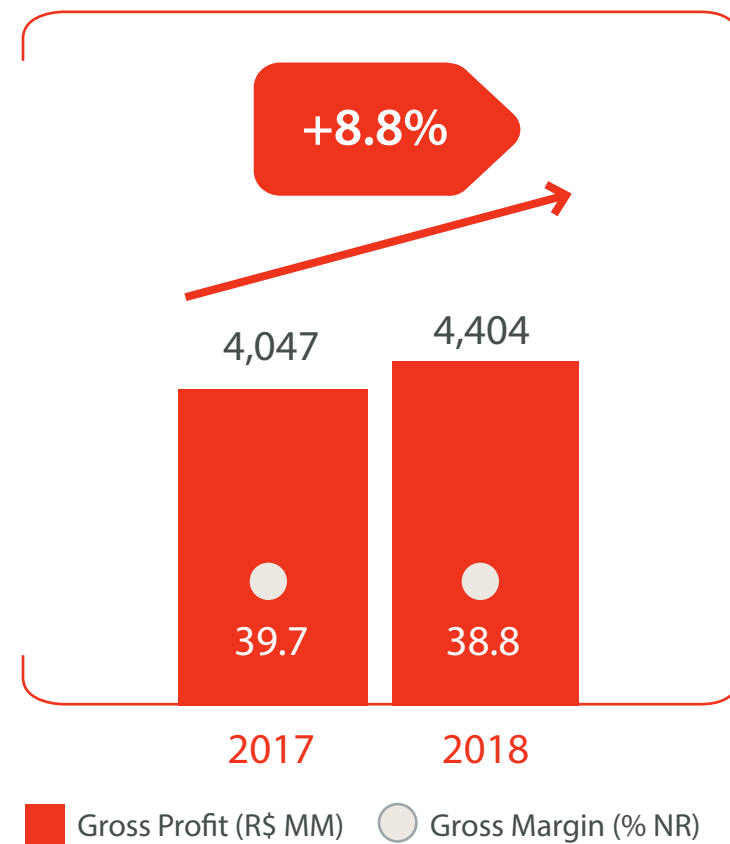
PARENT COMPANY NET REVENUE
(R\$ MILLION)



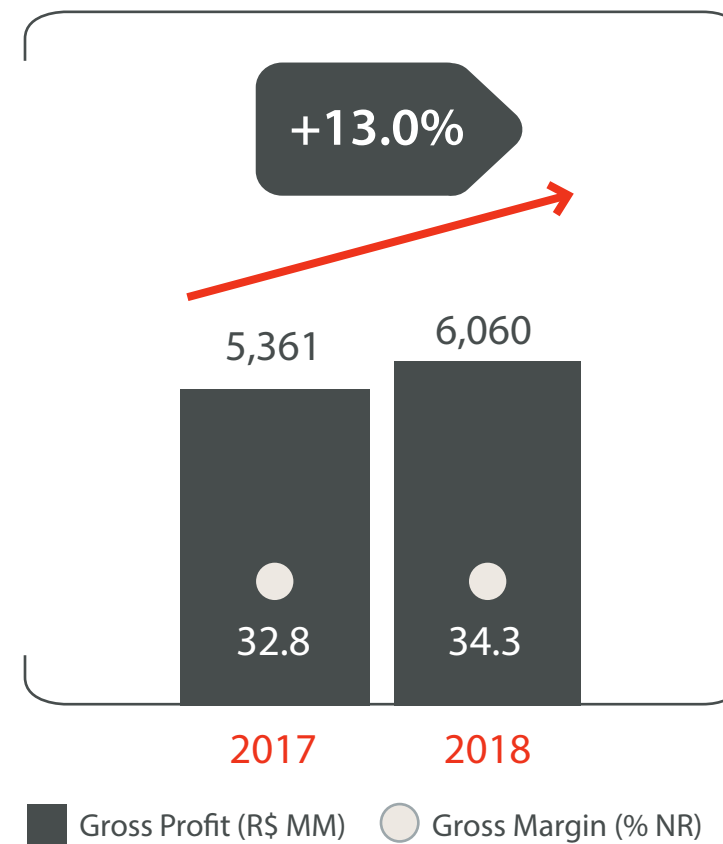
CONSOLIDATED NET REVENUE
(R\$ MILLION)



PARENT COMPANY GROSS PROFIT AND GROSS MARGIN



CONSOLIDATED GROSS PROFIT AND GROSS MARGIN



GROSS PROFIT AND GROSS MARGIN

In the 4Q18, the parent company's gross profit totaled R\$ 1.5 billion, a growth of 7.6%, with a margin of 37.6% of the net revenue (NR). In the consolidated view, the gross profit was of R\$ 2.0 billion, a growth of 10.8%, with a margin of 34.6% of NR, an expansion of 0.4 p.p. compared to the 4Q17 due to the growth of B2W Digital's marketplace operation.

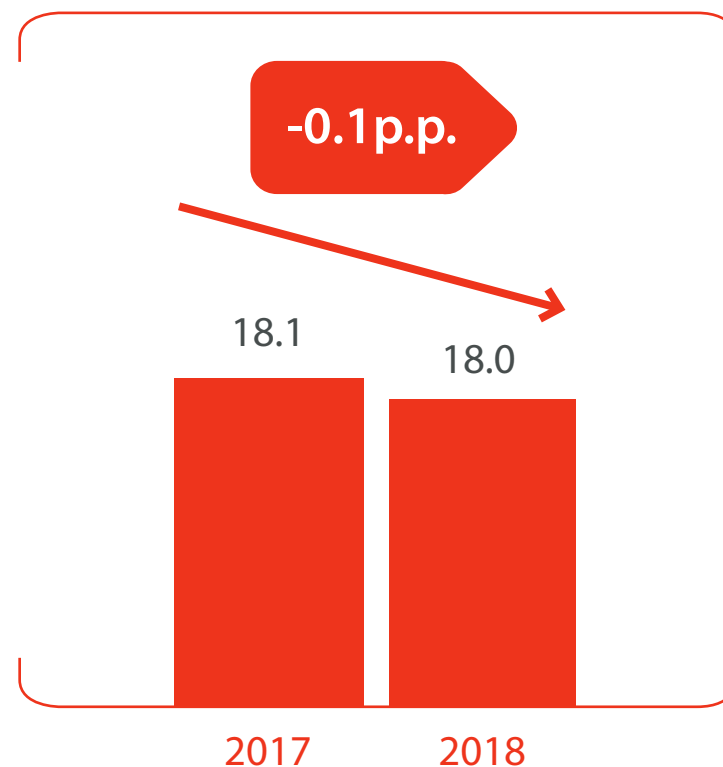
For 2018, the parent company's gross profit was R\$ 4.4 billion, a growth of 8.8%, with gross margin of 38.8% of NR, a variation of -0.9 p.p. in relation to 2017. In the consolidated view, the gross profit reached R\$ 6.1 billion in 2018, with gross margin of 34.3% of NR, an expansion of 1.5 p.p. in relation to 2017.

SALES, GENERAL AND ADMINISTRATIVE EXPENSES

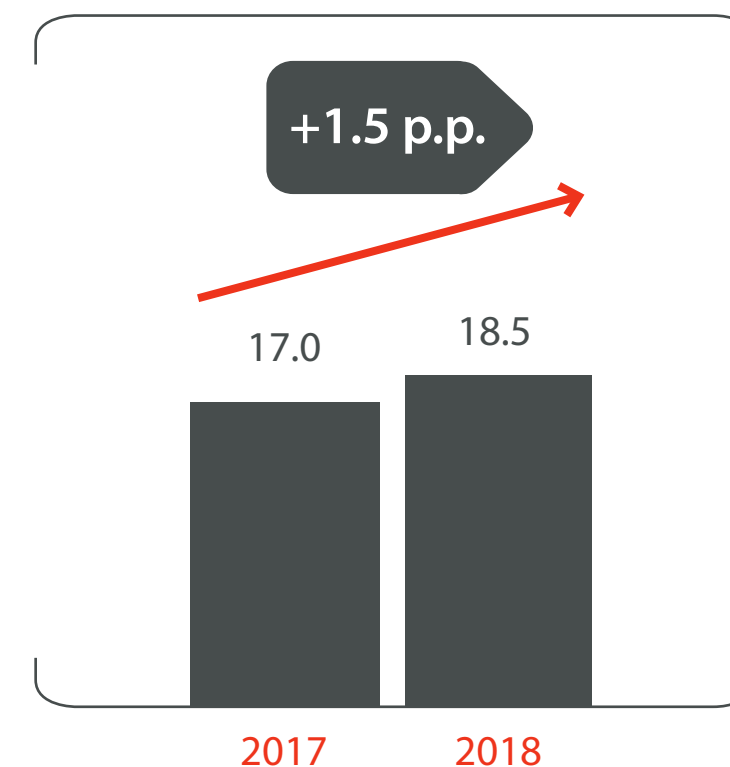
In the 4Q18, the parent company's sales, general and administrative expenses totaled R\$ 606.9 million, 15.2% of the NR (vs. 15.1% of NR in the 4Q17). For the consolidated, sales, general and administrative expenses for the 4Q18 totaled R\$ 985.8 million, 16.7% of NR (vs. 15.6% of NR in the 4Q17).

For 2018, the parent company's sales, general and administrative expenses totaled R\$ 2.0 billion, 18.0% of NR (vs. 18.1% of NR in 2017). For the consolidated, the sum was of R\$ 3.3 billion, corresponding to 18.5% of NR (vs. 17.0% of NR in 2017).

PARENT COMPANY SALES, GENERAL AND ADMINISTRATIVE EXPENSES (%NR)



CONSOLIDATED SALES, GENERAL AND ADMINISTRATIVE EXPENSES (%NR)

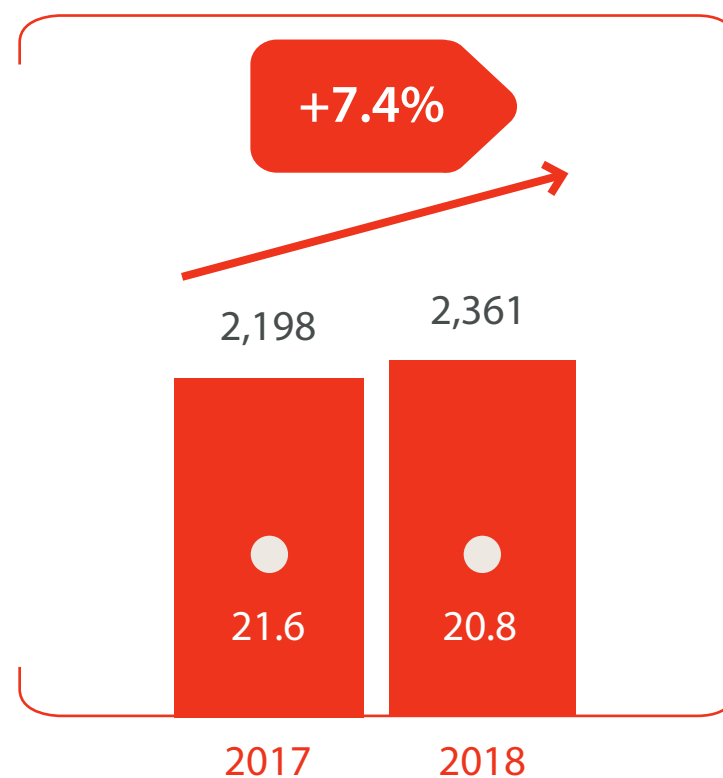


ADJUSTED EBITDA AND EBITDA MARGIN

In the 4Q18, the parent company's adjusted EBITDA reached R\$ 893.5 million, an increase of 5.2%, with a margin of 22.4% of NR. In the consolidated view, the adjusted EBITDA reached R\$ 1,059.9 million, a growth of 5.3%, reaching a margin of 17.9% of the NR.

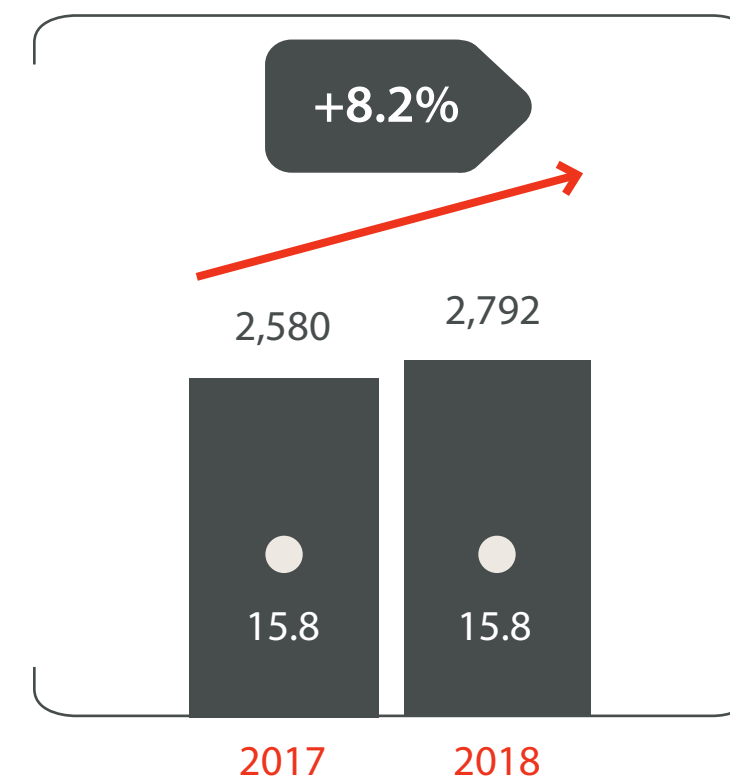
For 2018, the parent company's adjusted EBITDA reached R\$ 2.4 billion, an expansion of 7.4%, with EBITDA margin of 20.8% of NR. A variation of -0.8 p.p., in relation to 2017. For the consolidated, the adjusted EBITDA reached R\$ 2.3 billion, an increase of 8.2% reaching a margin of 15.8% of NR, the same level of 2017.

PARENT COMPANY ADJUSTED EBITDA AND EBITDA MARGIN



■ Adj. EBITDA (R\$ MM)
● Adj. EBITDA Margin (%NR)

CONSOLIDATED ADJUSTED EBITDA AND EBITDA MARGIN



■ Adj. EBITDA (R\$ MM)
● Adj. EBITDA Margin (%NR)

Adjusted EBITDA - Operating profit before interest, taxes, depreciation and amortization, other operating income expenses, equity accounting.

EBITDA (CVM 527/12)

In 2018, the parent company's adjusted EBITDA reached R\$ 2,361.1 million, representing 20.8% of NR. According to CVM's 527/12 Instruction, if we exclude other operational revenues and expenses, equity accounting and statutory/minority participation, the EBITDA would be equal to R\$ 1,999.6 million, representing 17.6% of NR.

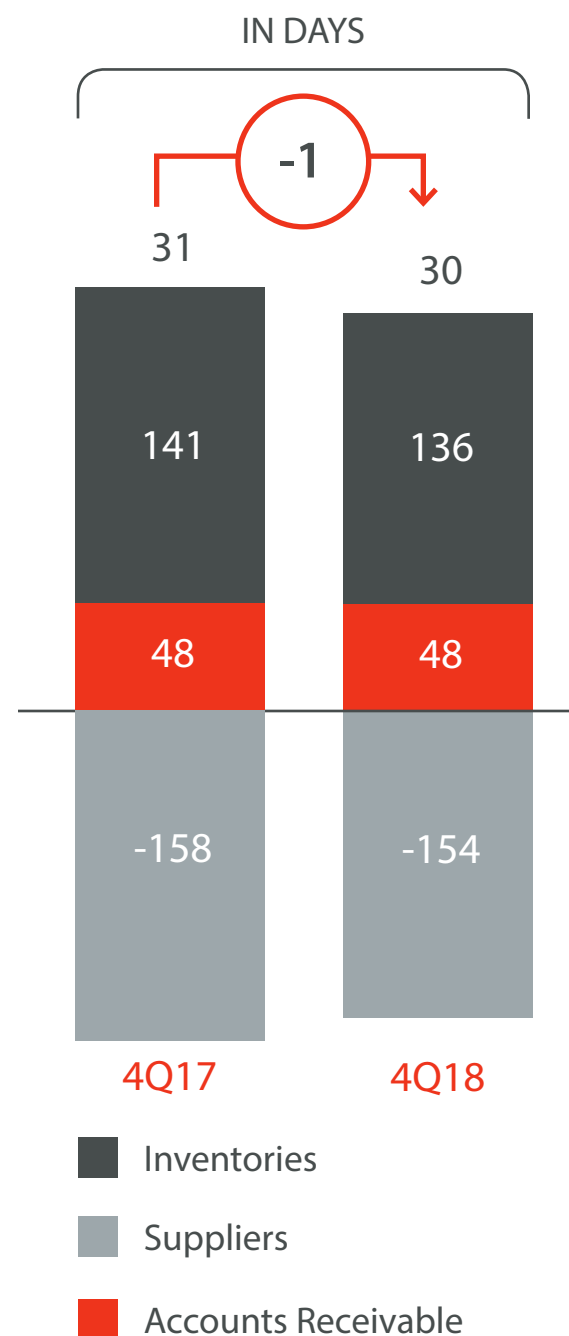
In the consolidated view, the adjusted EBITDA totaled R\$ 2,791.8 million in 2018, representing 15.8% of NR. According to CVM's 527/12 Instruction, if we exclude other operational revenues and expenses, equity accounting and statutory/minority participation, the EBITDA would be equal to R\$ 2,651.8 million in the period, representing 15.0% of the NR.

EBITDA RECONCILIATION - R\$ MM	PARENT COMPANY			CONSOLIDATED		
	2018	2017	Δ %	2018	2017	Δ %
(=) Adjusted EBITDA	2,361.1	2,197.5	7.4%	2,791.8	2,580.3	8.2%
(+) Other operating income (expenses)*	(97.7)	(97.1)	0.6%	(117.4)	(137.9)	-14.9%
(+) Equity accounting	(241.2)	(238.5)	1.1%	-	-	-
(+) Statutory/Minority Participation	(22.6)	-	-	(22.6)	-	-
(=) EBITDA (CVM 527/12)	1,999.6	1,861.9	7.4%	2,651.8	2,442.4	8.6%

* In the old accounting rules, considered as "non operating income".

VARIATION IN THE WORKING CAPITAL

In the 4Q18, the parent company's net working capital was of 30 days, an improvement of 1 day compared to the 4Q17. This evolution was mainly due to the reduction of the inventory levels due to the work of continuous improvement in the receipt of products from suppliers and the respective supply of the stores, which is being carried out throughout the year.



NET FINANCIAL RESULT

The parent company's net financial expenses totaled R\$ 258.4 million in the 4Q18, a reduction of 0.6% in relation to the R\$ 260.0 million registered in the 4Q17. In the consolidated view, the net financial expenses were R\$ 411.3 million in the 4Q18, a reduction of 10.9% compared to the R\$ 371.0 million registered in the 4Q17.

The parent company's net financial expenses totaled R\$ 850.3 million in 2018, a reduction of 17.8% compared to 2017. In the consolidated view, the net financial expenses were R\$ 1,413.2 million in 2018, a reduction of 13.8% compared to 2017.

The improvement in the financial result in 2018 arises from the variation of the Company's net debt and the recent CDI* reductions. These positive effects were partially offset by the reduction in the anticipation of payments to suppliers, by the prepaid of some debts and by the taking of new debts, aiming to lengthen the average term.

* CDI - Interbank Deposit Certificate: average rate of funding through the interbank market.

NO EXPOSURE TO FOREIGN EXCHANGE VARIATIONS

The Company continues to reaffirm its commitment to a conservative cash investment policy, demonstrated by the use of hedge instruments in foreign currencies, and derivatives (swaps). The financial liability and the total cash position of the Company are fully protected against any foreign exchange fluctuations through these financial instruments, which offset the foreign exchange risk transforming the cost of debt to local currency and interest rate (as a percentage of CDI). In the same direction, it is worth remembering that the Company's cash is invested in the largest financial institutions in Brazil.

NET RESULT

In the 4Q18, the net income reached R\$ 272.2 million (vs. R\$ 284.7 in the 4Q17). In 2018, the net income reached R\$ 380.5 million (vs. R\$ 237,6 million in 2017).

The following table shows the main variations from the Adjusted EBITDA to the net income:

RECONCILIATION OF THE NET RESULT - R\$ MM	PARENT COMPANY			CONSOLIDATED		
	2018	2017	Δ %	2018	2017	Δ %
Adjusted EBITDA	2,361.1	2,197.5	7.4%	2,791.8	2,580.3	8.2%
(+) Depreciation / Amortization	(500.1)	(434.1)	15.2%	(932.7)	(766.6)	21.7%
(+) Net Financial Result	(850.3)	(1,034.8)	-17.8%	(1,413.2)	(1,639.6)	-13.8%
(+) Equity Accounting	(241.2)	(238.5)	1.1%	-	-	-
(+) Other Operat. Income (Expenses)*	(97.7)	(97.1)	0.6%	(117.4)	(137.9)	-14.9%
(+) Minority / Statutory Interest	(22.6)	-	-	130.3	156.5	-16.7%
(+) Income Tax and Social Contribution	(268.7)	(155.4)	72.9%	(78.3)	44.9	-274.4%
(=) Net Income	380.5	237.6	60.1%	380.5	237.6	60.1%

* In the old accounting rules, considered as "non-operating income", including expenditure on action plan.

Adjusted EBITDA - Operating profit before interest, taxes, depreciation and amortization, other operating income/expenses, equity accounting, minority interest.

INDEBTEDNESS

Lojas Americanas' consolidated short and long-term loans and debentures at 12/31/2018 totaled R\$ 15,680.8 million. If we deduct the cash position of R\$ 11,938.3 million (cash + financial investments + accounts receivable from credit and debit cards) from the total loans, we reach a net debt position of R\$ 3,742.5 million.

Adjusted EBITDA - Operating profit before interest, taxes, depreciation and amortization, other operating income/expenses, equity accounting, minority interest

R\$ MILLION	PARENT COMPANY		CONSOLIDATED	
	12/31/2018	12/31/2017	12/31/2018	12/31/2017
INDEBTEDNESS				
Short Term Debt	1,080.5	547.9	1,807.6	2,307.2
Short Term Debentures	483.2	1,048.9	483.2	1,048.9
Receivables Fund (FIDC)	0.0	573.0	0.0	789.3
Short Term Indebtedness	1,563.7	2,169.8	2,290.8	4,145.4
Long Term Debt	3,235.5	3,646.2	9,156.5	8,124.3
Long Term Debentures	4,233.5	3,355.1	4,233.5	3,355.1
Long Term Indebtedness	7,469.0	7,001.3	13,390.0	11,479.4
TOTAL DEBT (1)	9,032.7	9,171.1	15,680.8	15,624.8
Cash and banks	3,693.2	2,029.2	6,813.8	3,567.5
Money market investments	1,227.3	3,015.8	3,295.8	6,517.5
Money market investments (BWU)*	246.6	276.1	0.0	0.0
Accounts receivable from credit / debit cards	1,725.5	1,573.9	1,828.7	1,893.7
Total Cash (2)	6,892.6	6,895.0	11,938.3	11,978.7
Net Cash (Debt) (2) - (1)	-2,140.1	-2,276.1	-3,742.5	-3,646.1
Net Debt / Adjusted EBITDA	0.9	1.0	1.3	1.4
Average Maturity of Debt (in days)	1,109	924	1,016	811

*Considers financial applications BWU [NE 14 (c)(i)]

In the consolidated view, the net debt was 1.3x the accumulated EBITDA from the last 12 months. The average debt maturity was of 1,016 days in 12/31/2018 (34 months). In the parent company, the net debt was 0.9x the accumulated EBITDA from the last 12 months. The average debt maturity was 1,109 days in 12/31/2018 (37 months).

To face the uncertainties and the volatility of the financial market, Lojas Americanas has the orientation of preserving cash and prolonging the debt profile. Throughout the last few years, several measures have been taken to this end, which let us consolidate our plan of long-term growth for the Company.

The “accounts receivable” considers receivables from credit cards, net of the discounted value, that have immediate liquidity and can be considered as cash. The breakdown of the “accounts receivable” in Lojas Americanas’ point of view is shown as follows:

R\$ MILLION	PARENT COMPANY		CONSOLIDATED	
	12/31/2018	12/31/2017	12/31/2018	12/31/2017
ACCOUNTS RECEIVABLE CONCILIATION - R\$ MM				
Gross credit-cards receivable	1,712.3	1,515.9	6,270.8	4,686.3
Receivable discounts	-	(573.0)	(4,455.4)	(3,639.9)
Electronic debits and checks receivables	13.2	58.0	13.3	58.0
Receivables Fund (FIDC)	-	573.0	-	789.3
Accounts Receivable from credit / debit cards	1,725.5	1,573.9	1,828.7	1,893.7
Present-value adjustment	(19.8)	(18.5)	(21.8)	(19.8)
Provision for doubtful accounts	(1.0)	(1.0)	(46.0)	(35.3)
Other accounts receivable	8.7	7.9	109.1	139.3
CONSOLIDATED NET ACCOUNTS RECEIVABLE	1,713.4	1,562.3	1,870.0	1,977.9

SALES BY MEANS OF PAYMENT

The opening of sales by means of payments of the Parent Company in 2018 and 2017 can be verified in the table below:

MEANS OF PAYMENT	PARENT COMPANY		
	2018	2017	VAR.
Cash	53%	55%	-2 p.p.
Credit Cards	47%	45%	+2 p.p.

INCOME STATEMENT	CONSOLIDATED QUARTERS ENDED IN DECEMBER 31			CONSOLIDATED EXERCISES ENDED IN DECEMBER 31		
	4Q18	4Q17	Variation	2018	2017	Variation
(in million of Brazilian reais)						
Gross Merchandise Volume (GMV)	9,522.2	7,893.4	20.6%	27,804.0	23,324.3	19.2%
Gross Sales and Services Revenue	6,913.2	6,272.9	10.2%	20,842.8	19,249.4	8.3%
Taxes on sales and services	(994.8)	(878.2)	13.3%	(3,153.0)	(2,903.9)	8.6%
Net Sales and Services Revenue	5,918.4	5,394.7	9.7%	17,689.8	16,345.5	8.2%
Cost of goods and services sold	(3,872.7)	(3,548.5)	9.1%	(11,630.2)	(10,984.6)	5.9%
Gross Profit	2,045.7	1,846.2	10.8%	6,059.6	5,360.9	13.0%
Gross Margin (% NR)	34.6%	34.2%	+0.4 p.p.	34.3%	32.8%	+1.5 p.p.
Operating Revenue (Expenses)	(1,232.8)	(1,031.3)	19.5%	(4,200.5)	(3,547.2)	18.4%
Selling expenses	(926.2)	(755.8)	22.5%	(3,028.9)	(2,583.5)	17.2%
General and administrative expenses	(59.6)	(83.9)	-29.0%	(238.9)	(197.1)	21.2%
Depreciation and amortization	(247.0)	(191.6)	28.9%	(932.7)	(766.6)	21.7%
Operating Income before Net Financial Result	812.9	814.9	-0.2%	1,859.1	1,813.7	2.5%
Net Financial Result	(411.3)	(371.0)	10.9%	(1,413.2)	(1,639.6)	-13.8%
Other operating income (expenses)*	(45.0)	(92.1)	-51.1%	(117.4)	(137.9)	-14.9%
Minority/Statutory interest	3.4	13.4	-74.6%	130.3	156.5	-16.7%
Income tax and social contribution	(87.2)	(80.5)	8.3%	(78.3)	44.9	-274.4%
Net Income of the Period	272.8	284.7	-4.2%	380.5	237.6	60.1%
Net Margin (% NR)	4.6%	5.3%	-0.7 p.p.	2.2%	1.5%	+0.7 p.p.
Adjusted EBITDA	1,059.9	1,006.5	5.3%	2,791.8	2,580.3	8.2%
Adjusted EBITDA Margin (% NR)	17.9%	18.7%	-0.8 p.p.	15.8%	15.8%	-

Adjusted EBITDA - Operating profit before interest, taxes, depreciation and amortization, other operating income/ expenses, equity accounting, minority and statutory participation.

* Under the old accounting norm, called "non-operational result"

INCOME STATEMENT	PARENT COMPANY QUARTERS ENDED IN DECEMBER 31			PARENT COMPANY EXERCISES ENDED IN DECEMBER 31		
	4Q18	4Q17	Variation	2018	2017	Variation
(in million of Brazilian reais)						
Gross Sales and Services Revenue	4,499.4	4,092.2	10.0%	12,959.5	11,626.4	11.5%
Taxes on sales and services	(508.9)	(471.0)	8.0%	(1,609.6)	(1,434.0)	12.2%
Net Sales and Services Revenue	3,990.5	3,621.2	10.2%	11,349.9	10,192.4	11.4%
Cost of goods and services sold	(2,490.1)	(2,226.2)	11.9%	(6,946.0)	(6,145.4)	13.0%
Gross Profit	1,500.4	1,395.0	7.6%	4,403.9	4,047.0	8.8%
Gross Margin (% NR)	37.6%	38.5%	-0.9 p.p.	38.8%	39.7%	-0.9 p.p.
Operating Revenue (Expenses)	(741.9)	(662.2)	12.0%	2,542.9)	(2,283.6)	11.4%
Selling expenses	(578.5)	(518.0)	11.7%	(1,928.7)	(1,756.8)	9.8%
General and administrative expenses	(28.4)	(27.9)	1.8%	(114.1)	(92.7)	23.1%
Depreciation and amortization	(135.0)	(116.3)	16.1%	(500.1)	(434.1)	15.2%
Operating Income before Net Financial Result	758.5	732.8	3.5%	1,861.0	1,763.4	5.5%
Net Financial Result	(258.4)	(260.0)	-0.6%	(850.3)	(1,034.8)	-17.8%
Equity accounting	(36.8)	(16.8)	119.0%	(241.2)	(238.5)	1.1%
Other operating income (expenses)*	(56.5)	(75.6)	-25.3%	(97.7)	(97.1)	0.6%
Statutory interest	(22.6)	-	-	(22.6)	-	-
Income tax and social contribution	(111.4)	(95.7)	16.4%	(268.7)	(155.4)	72.9%
Net Income of the Period	272.8	284.7	-4.2%	380.5	237.6	60.1%
Net Margin (% NR)	6.8%	7.9%	-1.1 p.p.	3.4%	2.3%	+1.1 p.p.
Adjusted EBITDA	893.5	849.1	5.2%	2,361.1	2,197.5	7.4%
Adjusted EBITDA Margin (% NR)	22.4%	23.4%	-1.0 p.p.	20.8%	21.6%	-0.8 p.p.

Adjusted EBITDA - Operating profit before interest, taxes, depreciation and amortization, other operating income/ expenses, equity accounting, minority and statutory participation.

*Under the old accounting norm, called "non-operational result"

INCOME STATEMENT (in million of Brazilian reais)	PARENT COMPANY EXERCISES ENDED IN DECEMBER 31			CONSOLIDATED EXERCISES ENDED IN DECEMBER 31		
	2017 New Criteria	Adjustments	2017 Old Criteria	2017 New Criteria	Adjustments	2017 Old Criteria
Gross Merchandise Volume (GMV)				23,324.3	(752.9)	24,077.2
Gross Sales and Services Revenue	11,626.4	(956.1)	12,582.5	19,249.4	(752.9)	20,002.3
Taxes on sales and services	(1,434.0)	148.3	(1,582.3)	(2,903.9)	53.7	(2,957.6)
Net Sales and Services Revenue	10,192.4	(807.8)	11,000.2	16,345.5	(699.2)	17,044.7
Cost of goods and services sold	(6,145.4)	964.6	(7,110.0)	(10,984.6)	619.1	(11,603.7)
Gross Profit	4,047.0	156.8	3,890.2	5,360.9	(80.1)	5,441.0
Gross Margin (% NR)	39.7%	+4.3 p.p.	35.4%	32.8%	+0.9 p.p.	31.9%
Operating Revenue (Expenses)	(2,283.6)	(156.8)	(2,126.8)	(3,547.2)	(156.8)	(3,390.4)
Selling expenses	(1,756.8)	(157.3)	(1,599.5)	(2,583.5)	(157.3)	(2,426.2)
General and administrative expenses	(92.7)	(0.5)	(93.2)	(197.1)	(0.5)	(197.6)
Depreciation and amortization	(434.1)	-	(434.1)	(766.6)	-	(766.6)
Operating Income before Net Financial Result	1,763.4	-	1,763.4	1,813.7	(236.9)	2,050.6
Net Financial Result	(1,034.8)	-	(1,034.8)	(1,639.6)	236.9	(1,876.5)
Equity accounting	(238.5)	-	(238.5)	-	-	-
Other operating income (expenses)*	(97.1)	-	(97.1)	(137.9)	-	(137.9)
Minority interest	-	-	-	156.5	-	156.5
Income tax and social contribution	(155.4)	-	(155.4)	44.9	-	44.9
Net Income of the Period	237.6	-	237.6	237.6	-	237.6
Net Margin (% NR)	2.3%	-	2.2%	1.5%	-	1.4%
Adjusted EBITDA	2,197.5	-	2,197.5	2,580.3	(236.9)	2,817.2
Adjusted EBITDA Margin (% NR)	23.4%	+3.4 p.p.	20.0%	15.8%	-0.7 p.p.	16.5%

* Under the old accounting norm, called "non-operational result".

INCOME STATEMENT (in million of Brazilian reais)	PARENT COMPANY QUARTERS ENDED IN DECEMBER 31			CONSOLIDATED QUARTERS ENDED IN DECEMBER 31		
	4Q17 New Criteria	Adjustments	4Q17 Old Criteria	4Q17 New Criteria	Adjustments	4Q17 Old Criteria
Gross Merchandise Volume (GMV)				7,893.4	(149.3)	8,042.7
Gross Sales and Services Revenue	4,092.2	(258.4)	4,350.6	6,272.9	(149.3)	6,422.2
Taxes on sales and services	(471.0)	46.1	(517.1)	(878.2)	10.4	(888.6)
Net Sales and Services Revenue	3,621.2	(212.3)	3,833.5	5,394.7	(138.9)	5,533.6
Cost of goods and services sold	(2,226.2)	220.3	(2,446.5)	(3,548.5)	89.3	(3,637.8)
Gross Profit	1,395.0	8.0	1,387.0	1,846.2	(49.6)	1,895.8
Gross Margin (% NR)	38.5%	+2.3 p.p.	36.2%	34.2%	-0.1 p.p.	34.3%
Operating Revenue (Expenses)	(662.2)	(8.0)	(654.2)	(1,031.3)	(8.0)	(1,023.3)
Selling expenses	(518.0)	(8.5)	(509.5)	(755.8)	(8.5)	(747.3)
General and administrative expenses	(27.9)	(0.5)	(28.4)	(83.9)	(0.5)	(84.4)
Depreciation and amortization	(116.3)	-	(116.3)	(191.6)	-	(191.6)
Operating Income before Net Financial Result	732.8	-	732.8	814.9	(57.6)	872.5
Net Financial Result	(260.0)	-	(260.0)	(371.0)	57.6	(428.6)
Equity accounting	(16.8)	-	(16.8)	-	-	-
Other operating income (expenses)*	(75.6)	-	(75.6)	(92.1)	-	(92.1)
Minority interest	-	-	-	13.4	-	13.4
Income tax and social contribution	(95.7)	-	(95.7)	(80.5)	-	(80.5)
Net Income of the Period	284.7	-	284.7	284.7	-	284.7
Net Margin (% NR)	7.9%	-	7.4%	5.3%	-	5.1%
Adjusted EBITDA	849.1	-	849.1	1,006.5	(57.6)	1,064.1
Adjusted EBITDA Margin (% NR)	23.4%	+1.3 p.p.	22.1%	15.8%	-3.4 p.p.	19.2%

* Under the old accounting norm, called "non-operational result".

The Click-Rodo and Direct (subsidiaries of B2W Digital) provide merchandise distribution services to B2W, generating an elimination effect in the consolidated gross revenue and selling, general and administrative expenses (distribution expenses), according to the present accounting rules. The consolidated gross profit is reduced on the same proportion to the positive effect observed in the selling, general and administrative expenses, but with no effect on Adjusted EBITDA and Adjusted EBITDA Margin.

Below is the adjusted consolidated result of Lojas Americanas, without the aforementioned effects on B2W Digital results and consequently on Lojas Americanas consolidated results:

INCOME STATEMENT	CONSOLIDATED QUARTERS ENDED IN DECEMBER 31			CONSOLIDATED EXERCISES ENDED IN DECEMBER 31			
	(in million of Brazilian reais)	4Q18	4Q17	Variation	2018	2017	Variation
Gross Merchandise Volume (GMV)		9,522.2	7,893.4	20.6%	27,804.0	23,324.3	19.2%
Gross Sales and Services Revenue		6,913.2	6,272.9	10.2%	20,842.8	19,249.4	8.3%
Taxes on sales and services		(994.8)	(878.2)	13.3%	(3,153.0)	(2,903.9)	8.6%
Net Sales and Services Revenue		5,918.4	5,394.7	9.7%	17,689.8	16,345.5	8.2%
Cost of goods and services sold		(3,792.5)	(3,478.3)	9.0%	(11,376.2)	(10,781.2)	5.5%
Gross Profit		2,125.9	1,916.4	10.9%	6,313.6	5,564.3	13.5%
Gross Margin (% NR)		35.9%	35.5%	+0.4 p.p.	35.7%	34.0%	+1.7 p.p.
Operating Revenue (Expenses)		(1,313.0)	(1,101.5)	19.2%	(4,454.5)	(3,750.6)	18.8%
Selling expenses		(1,006.4)	(826.0)	21.8%	(3,282.9)	(2,786.9)	17.8%
General and administrative expenses		(59.6)	(83.9)	-29.0%	(238.9)	(197.1)	21.2%
Depreciation and amortization		(247.0)	(191.6)	28.9%	(932.7)	(766.6)	21.7%
Operating Income before Net Financial Result and Equity Accounting		812.9	814.9	-0.2%	1,859.1	1,813.7	2.5%
Net Financial Result		(411.3)	(371.0)	10.9%	(1,413.2)	(1,639.6)	-13.8%
Other operating income (expenses)*		(45.0)	(92.1)	-51.1%	(117.4)	(137.9)	-14.9%
Minority/Statutory interest		3.4	13.4	-74.6%	130.3	156.5	-16.7%
Income tax and social contribution		(87.2)	(80.5)	8.3%	(78.3)	44.9	-274.4%
Net Income of the Period		272.8	284.7	-4.2%	380.5	237.6	60.1%
Net Margin (% NR)		4.6%	5.3%	-0.7 p.p.	2.2%	1.5%	+0.7 p.p.
Adjusted EBITDA		1,059.9	1,006.5	5.3%	2,791.8	2,580.3	8.2%
Adjusted EBITDA Margin (% NR)		17.9%	18.7%	-0.8 p.p.	15.8%	15.8%	-

Adjusted EBITDA - Operating profit before interest, taxes, depreciation and amortization, other operating income/expenses, equity accounting, minority and statutory participation.

06
People



06 people

GRI 103-2, 401-2, 403-1, 404-1, 404-2, 405-1, 404-3

UNGC PRINCIPLES 3, 6

SDG 5, 8 and 10

PEOPLE

Promoting decent work and economic growth are some of the goals to be met by the countries that have adopted Agenda 2030 and the United Nations (UN) Sustainable Development Goals (SDGs). Lojas Americanas also is aligned with SDG 8, to promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

Present in places with diverse demographic and socioeconomic characteristics, the Company contributes to local development, income distribution and job creation, impacting mainly people in the locations in which it is established. It also seeks to provide environments that prioritize the well-being and safety of its associates and clients.

In relation to corporate education, Lojas Americanas fosters the development and improvement of its associates' skills, through job training and qualification programs and actions. It also drives the growth opportunities of its associates, seeking to recognize talents within the Company itself.

INTELLIGENT HUMAN RESOURCES MANAGEMENT

To ensure more assertive and fair recruitment and selection processes, with the support of automated and intelligent tools, the Company bases its decisions only on each person's professional and behavioral profile. The same rules apply to promotions, which take into account individual skills indicators and on the job performance.

TALENT ATTRACTION AND SELECTION

We invest in the potential of those who are part of our team. The success of our business is in the training of people, in an environment of constant learning and development, one that fosters innovation. Impacting the lives of millions of people daily, with more than 1,490 stores and a team of more than 25,000 associates, we offer many opportunities for young people who want to start a successful career.

We seek the best professionals, who are obsessed with progress - both of the Company and for their own careers. For them, opportunities increase as the business expands, as growth is continuous for those who work together with us to fulfill our dream.

In 2018, we hired 250 new talents, seven new master's talents and 13 trainees to work in different areas of the Company. We also selected 213 interns, out of 45,000 candidates. Considering all our hires, we generated 1,878 new direct jobs.

INTERNSHIP PROGRAM

The internship program is a great entry opportunity, which has already led to the professional development of a number of the Company's executives. A nationwide project, it is designed for university students from different fields of knowledge with an entrepreneurial and "business owner" profile. During a maximum period of two years, trainees learn the Company's business units, hands-on knowledge of the retail trade and the methods and management tools that are fundamental to their own professional growth.

TRAINEE PROGRAM

The Trainee program, one of Brazil's most highly sought out, seeks talented young people capable of taking on leadership positions and building careers with real growth opportunities. Over the course of year, the trainees are offered the opportunity to deeply understand the Company's operations. During six months of job rotation, they participate in the day-to-day experience in the stores, Distribution Centers and other key areas. In addition, they undergo several methods and management courses, including Green Belt training, which aims to qualify the trainee to develop an improvement project of great importance to Lojas Americanas.

NEW TALENTS PROGRAM

In order to fast-track new graduates to become future leaders, we have also developed the New Talents program wherein these professionals are allocated to business areas as of reporting to their first day of work. In the first year, they participate in a number of training sessions taught by the Company's executives so that they grasp a global view of the business.

NEW MASTER'S TALENT PROGRAM

Run for the first time in 2018, the Program aims to find exceptionally talented individuals to support the Company's big challenges. We are looking for professionals with a Master's degree who bring differentiated solutions to complex problems. They enter as project coordinators, undergo intensive training and follow-up, and are instructed on how to become future Company executives.

MBA PROGRAM

Created in 2012, the MBA program selects talented students from the world's best business schools to act in management positions and develop projects in specific areas, monitored by the Company's executive officers.

YOUNG APPRENTICE PROGRAM

In order to promote social inclusion, the Young Apprentice program introduces youths to the labor market from experiences that contribute to the development of technical and human skills. Apprentices work in support of administrative, sales and logistics activities in Lojas Americanas' stores, distribution centers and administrative buildings in various states.

DIVERSITY AND EQUAL OPPORTUNITIES

Promoting a diverse, inclusive environment, with the right to equality and no discrimination of any kind has always been important for Lojas Americanas. The Company believes in diversity as an opportunity to positively impact its productivity and its results, as well as Brazilian society as a whole.

GENDER EQUALITY

Women are in the majority in Lojas Americanas, representing 50.70% of its associates. They hold 64.05% of the management positions and 33.33% of the executive board's spots.

In 2018, 8,914 associates were promoted and assumed new positions. Of these, 48.35% were women.

LEVEL	MEN	WOMEN
Executive Board	8	4
Management	581	1,035
Head/Coordination	100	92
Technician/Supervision	1,569	2,720
Administrative	290	742
Operational	9,779	8,083
Total by gender	12,327	12,676
Total associates: 25,003		

REGION	MEN	WOMEN
South	941	1,184
Southeast	6,338	6,647
Center-West	999	975
Northeast	3,180	2,941
North	869	929
Total by gender	12,327	12,676
Total associates: 25,003		

BENEFITS

All non-temporary members are governed by Brazil's labor legislation (CLT), are entitled to maternity and paternity leave and prior notice. Whatever their jobs in the company, they receive a number of benefits, among them: transportation voucher, life insurance, health insurance, dental care, meal voucher or lunch in canteens, discounts on purchases of products in Lojas Americanas stores and Americanas.com, Submarino and Shoptime websites, and discounts at workout academies, language schools and universities.

CORPORATE EDUCATION

Training and developing its associates are one of Lojas Americanas' priority actions. The Company makes all necessary efforts to maintain the teams trained, boosting productivity and associate satisfaction rates and, consequently, the overall results. The training seeks not only to ensure that members are aligned with the Company's objectives, but also to offer constant learning and growth opportunities.

DNA PROJECT

The DNA Program was developed to answer the following question: "What is the DNA of the exceptional store manager?" Through a complex effort involving of personnel analytics, developed with Harvard and West Point research professors, we have statistically identified and verified the attributes that distinguish an exceptional manager, which makes him or her "off the curve," and has led to our building of a Leadership Program. This program, aimed at our store managers, is designed to raise the level of our professional and internal development training method. It is fully aligned with our value of having the best people and with the commitment to be the best development option for our associates.

CONTINUOUS IMPROVEMENT PROGRAM

The Company has run more than 12,000 hours of training through the Lean Six Sigma Program (Master Black Belts, Black Belts, Green Belts and Yellow Belts) as well as other subjects, such as process management, project development and problem solving. Continuous improvement projects also were implemented in different areas around the Company.

AMERICANAS DEVELOPMENT CENTER (CDA)

The Americanas Development Center (CDA) was created in 2005 based on the corporate university concept. With its headquarters in Rio de Janeiro and 43 centers spread throughout the country, the space provides a virtual learning environment. Throughout 2018, training was intensified, totaling 422,000 hours.

RETAIL SCHOOL

The Faculdade do Varejo (Retail School) program offers scholarships for higher or postgraduate education, fostering the academic formation of associates while also advancing their chances of professional growth. It is intended for associates who are standouts in their jobs and have been with the Company for over two years.

COMMUNICATION WITH ASSOCIATES

The internal public is the largest disseminator of Lojas Americanas' values. In order for the actions carried out to be effective and bolster the Company's image, the associates are consulted on a permanent basis. All communication initiatives seek to strengthen the corporate culture, better integrate the associates and foment constant dialogue between the areas.

An example of such initiatives is the Engagement Survey, conducted annually with members to discover how they perceive important topics. Based on the results, an action plan is drawn up and implemented. Periodically, a performance evaluation encompassing all the associates is drawn up, designed to promote its continuous improvement.

WORKPLACE

The Workplace is an internal communication and team management tool that values network communication. Internal communication is through groups that segment the audiences so that the messages are assertive. This tool also allows senior management to communicate with all members of the Company at a single moment. Since it is a network tool, members can comment, question and offer feedback to the communication received. The Workplace encourages the production of content in a collaborative manner. In addition, members are constantly invited to become involved in decision-making and contribute to the Company's key projects.

OCCUPATIONAL HEALTH AND SAFETY

Associates' health and safety are extremely important factors for Lojas Americanas. The Company has a set of procedures, training and equipment appropriate and specified for the various activities, focusing on the prevention of personal and property accidents and the preservation of associates' health. In addition, it develops and implements programs and actions that foster good health and for the prevention of non-occupational diseases.

SAFETY CULTURE

Through year-long actions, the Safety Games and Always Alert programs aim to foster a culture of health and safety throughout Lojas Americanas. Daily Security Dialogues (DDS) occur in the Company's operations.

INTERNAL ACCIDENT PREVENTION COMMISSION (CIPA)

The Company maintains an Internal Accident Prevention Commission (CIPA) in all establishments with more than 50 associates, assuring the necessary representation to address health and safety issues that may be identified by the groups. In addition, it performs simulated evacuation of areas, fire fighting and emergency procedures.



07 Partnerships AND PROJECTS

GRI 102-9, 102-13, 102-16, 102-40, 102-42, 102-43, 102-44, 414-1

UNGC PRINCIPLES 4, 5

ODS 3, 4, 6, 8, 10, 12, 15, 17

PARTNERSHIPS AND PROJECTS

To remain among the largest and most traditional retailers in Brazil, Lojas Americanas seeks to establish partnerships and develop projects with its main stakeholders: customers, associates, shareholders, suppliers, competitors, governments, regulators and civil society. The Company believes that its accelerated growth in recent years is mainly due to the strengthening of strategies to meet the needs of the public to which it relates; such as the initiatives related to the Sustainable Development Goals (SDGs), a global agenda of the United Nations (UN) with 17 Objectives and 169 goals and challenges to be achieved by 2030. The following are the main initiatives in 2018 about social and relationship capital.

CUSTOMERS

In alignment with the mission of meeting people's consumption needs and exceeding expectations, the Company has invested in features to attract, delight and retain customers. In the year 2018, it continued its quest for excellence in service in its consumer journey project, which uses one of the best customer relationship management (CRM) software.

CUSTOMER SERVICE

Lojas Americanas answered 100% of the claims of the Reclame Aqui platform and won the performance of 8.5 as a grade. Since 2012, the Company maintains the RA1000 Seal, created by the platform to highlight companies that have excellent customer service levels.

In 2018, the Company won, for the sixth consecutive year, the "Época - Reclame Aqui" award. It also maintained close relations with representatives of competent consumer protection bodies, taking into account the dissatisfaction of all consumers during the period established by the institutions.

The Lojas Americanas multi-channel is a competitive differential, increasingly improved to meet the needs of customers. The Company constantly monitors complaints and suggestions on Facebook, Twitter, Instagram and Youtube networks. Facebook alone had more than 15 million interactions in 2018. These monitoring are done with the privacy and security of customers' data, asserting respect for the reliability of consumers' personal data. The quality in after-sales service is constantly improving: more than 45 thousand cases of customers that use the stores and more than 145 thousand solutions were solved through customer service channels.

ASSOCIATES

Lojas Americanas believes that the mobilization, engagement and dissemination of a collaborative culture are fundamental exercises for achieving the United Nations' (UN) Sustainable Development Goals (SDGs). Following are the main actions aimed at members in 2018.



PREVENTION OF DISEASE AND HEALTH PROMOTION

Simple attitudes contribute considerably to a healthier life. It was with this theme that on Health Day, April 7, members were invited to reflect on healthy habits on a day to day basis. The campaigns Pink October, about breast cancer, Blue November, prostate cancer fighting, and Orange December, fight against skin cancer, were approached with information about the diseases and also encouraged the free examination for associates during the period. To stimulate the prevention and diagnosis of skin cancer, orange ribbons and leaflets were distributed with information on the detection and prevention of the disease, provided by the Brazilian Society of Dermatology. All these initiatives seek to work on SDG 3, to ensure a healthy life and to promote well-being for all, at all ages.

ENVIRONMENT

At the Environment Week, from June 4 to 8, the associates were able to learn about the actions that demonstrate Lojas Americanas commitment to environmental issues; such as accounting for the emission of greenhouse gases, use of renewable energy sources and new stores with concepts of energy efficiency. To close the awareness week, the challenge was "1 day without plastic bags" in the store of the Company's headquarters for members and the invitation was extended to customers of all stores in Brazil by social networks.

VOLUNTEER PROGRAM

Throughout the year, Lojas Americanas promoted different actions of corporate volunteering, with the objective of engaging the social partners involved. Among the volunteer actions developed by the Company are: donation of more than 110 chocolates at Easter for children in situations of social vulnerability; carrying out an internal blood donation campaign, in partnership with HemoRio, which collected more than 100 blood bags; donation of more than 340 clothes for the Warm Clothing Campaign; special action in Pink October, in partnership with the NGO Laço Rosa, with volunteer members who wrote more than 100 letters of support to patients with breast cancer, family members and doctors of Hospital dos Servidores (RJ). In July and December, a group of associates put their hand in the crowd and participated in two recreational parties with children attended by NGOs in Rio de Janeiro and São Paulo. The Company closed the year with more than 170 hours of voluntary work.

DONATIONS

In another solidarity campaign, Children's Day was also remembered by the Company with a donation by Lojas Americanas of more than 250 toys for children attended by the Querer Bem Project in Rio de Janeiro; and the Amazonas Sustainable Foundation (FAS) in the Eirunepé community, in the interior of Amazonas. World Water Day, March 22, was remembered with about one thousand bottles of mineral water donated to the Association of Waste Collectors of the Metropolitan Landfill (RJ). In addition, the Company also promoted a donation campaign at Christmas, with its suppliers, distributing more than 10 thousand baskets with food for the festive season. In December, Lojas Americanas donated 10,000 tons of food, converted into basic food baskets, for the Christmas Without Hunger campaign, held annually by the NGO Ação da Cidadania.

SOCIETY

In line with UN 2030, through its own projects and support for external initiatives, Lojas Americanas has sought to fulfill its social role in the communities.

SOCIAL PROJECTS

In addition to supporting 11 projects of the Socioenvironmental Stock Exchange (BVSA), in August 2018 the Company started a new cycle of investments in social projects.



AMAZONAS SUSTAINABLE FOUNDATION (FAS)

To strengthen the work of the Amazonas Sustainable Foundation (FAS), which has been working for 10 years on environmental conservation and improvement of the quality of life of the riverside and indigenous communities of the Amazon, and to develop the SDGs 4, 8, 10, 12 and 17; Lojas Americanas began to direct part of its social investment to education and connectivity projects in the region. The partnership with FAS intends to promote better communication, education and income generation so that local residents can stay in their communities with an infrastructure that does not harm the environment and provide them with better living conditions. The initiative will impact 123 riverine and indigenous communities, reaching more than 1,500 people. Based on a participatory methodology, in which the local residents identified the local priorities, the Amazonas Sustainable Foundation (FAS) and Lojas Americanas defined the direction of investments for four projects:

ENVIRONMENTAL EDUCATION AND WASTE MANAGEMENT

The environmental education and solid waste management project of FAS is being expanded by Lojas Americanas, and will reach 11 communities of the Rio Negro Environmental Protection Area and Puranga Conquista Sustainable Development Reserve. In addition to educational activities, reverse logistics structuring will be carried out, which involves the collection and transport of the material collected in the conservation units served for later treatment.

Goal: to carry out two training cycles per year in Environmental Education (total of six training cycles in the project), of 16 hours, with teachers; community leaders and environmental volunteers and youth from communities in three years and reduce by 20% the production of waste in these communities from the baseline.

DIGITAL INCLUSION AND TECHNOLOGICAL CAPACITATION

In order to allow communities to have access to connectivity, digital inclusion and technological capacity building, Lojas Americanas is investing in the adaptation of the 9 FAS Conservation and Sustainability Centers for the installation and renovation of computer labs. The school and riverside community that attend the nuclei will have access to the training in information technologies and to contents previously not accessed, due to the physical distances between these communities and the large centers.

Goal: 2 training sessions of 40 hours / each for 180 young people will be offered in three years and 1,153 people will have access to the digital laboratories.

PROMOTION OF ENTREPRENEURSHIP

In order to stimulate entrepreneurship among young people and adults living in the 9 FAS Conservation and Sustainability Centers, the Company will offer professional qualification courses focused on the interests of local productive chains, such as tourism, regional gastronomy and entrepreneurial leadership. The classes will be developed and taught in partnership with institutions focused on entrepreneurship and the Technological Education Center of the State of Amazonas (CETAM).

Goal: to offer training in at least 15 different themes, that meet the demands previously identified with the community in three years.

IMPROVING LITERACY

In partnership with FAS and the municipal secretariats of Education of the municipalities, Lojas Americanas will promote the improvement of literacy for the residents of the municipalities of Itapiranga and Iranduba; through the continuous training of elementary school teachers and school administrators, as well as educational diagnoses.

Goal: train 50 teachers, mobilize 10 municipal managers improve learning of 200 students in three years.



GRAEL PROJECT

Since 2016, Lojas Americanas has partnered with the Rumo Náutico Institute - Grael Project, in Niterói (RJ); which aims to democratize the access of young people to the practice of sailing and, in this way, contribute to social transformation in the lives of its beneficiaries. In order to increase the employability indexes of young people in social vulnerability already served by the project and aged between 17 and 29 years, in 2018, Lojas Americanas created, in partnership with the Grael and Senac Project, a technical course focused on retail. The “Retail operations, with an emphasis on service and leadership” training lasts 6 months and includes three groups of 30 students each, with the goal of training 90 students at the end of the project. The course also seeks to develop skills related to citizenship, environment, culture and team relationships, values shared by sailing practice, being a differential in the program, working SDGs 4, 8 and 10. The project also has classes taught by managers of Lojas Americanas, engaged in the Company’s Volunteer Program.

Goal: Train 90 students in “Retail Operations, with an emphasis on service and leadership” in 18 months.



GALPÃO APLAUSO

The Galpão Aplauso develops initiatives in the cultural, artistic areas and with focus on employability and in the SDGs 4, 8 and 10. In 2018, Lojas Americanas continued its sponsorship, begun in 2015, of the logistics operator course for young people between the ages of 17 and 29 and low-income residents of Baixada Fluminense and the West Zone of Rio de Janeiro. During the course, which is 6 months long, students have the opportunity to experience the practice of the activity in a mini Distribution Center. In addition, young people undergo complete and integrated training, with content that also includes personal development and aspects related to citizenship. The project trained 65 young people in 2018.

Goal: train 150 young people in multifunctional and integrated training for the logistics sector in 18 months.



BOOKS IN THE SQUARES

Five years ago, Lojas Americanas, in partnership with Americanas.com, promoted access to literature to residents of communities in Rio de Janeiro and São Paulo, through Livro nas Praças. The collection of the bus-library, available free of charge, has 2,000 copies, including children's books, children's books and adult audiences. The project, which addresses SDGs 4 and 10, also has about 90 Braille books for children and adults and 30 publications with extended source for people with low vision and audiobooks for the visually impaired. In addition, the bus is equipped with transshipment chair, suitable for wheelchairs and elderly people with difficulties of locomotion, bathroom and mineral water for visitors. In 2018, the wheel library received more than 15,500 visitors and was present at the São Paulo International Book Fair.

Goal: to impact new readers in the year 2019, reaching the accumulated total of 100 thousand people since the launch in 2014.

CULTURAL SPONSORSHIPS

Lojas Americanas and Americanas.com sponsored, via Federal Audiovisual Law (Ancine), documentary feature films shown in 2018. Among the sponsored films, two were presented at the Rio 2018 Festival. The SDGs addressed were 6, 12, and 15.



CAMINHO DO MAR

The documentary, produced by Bang Filmes and directed by Beбето Arantes, tells the story of the Paraíba do Sul River, which runs 1,150 km between São Paulo and Rio de Janeiro. Free exhibitions took place in more than 10 cities in the states of Rio de Janeiro, São Paulo, Minas Gerais and Santa Catarina, in communities of fishermen, universities and public squares.



AMAZÔNIA - O DESPERTAR DA FLORESTANIA

Documentary directed by Christiane Torloni and Miguel Przewodowski, discusses how Amazonian forest and nature itself have been treated in Brazil since the beginning of the twentieth century, bringing together testimonies from various personalities of Brazilian society. Shot in places like Rome, Nova Viçosa, Amazônia and Brasília, the film suggests the concept of florestania, a word that synthesizes citizenship and forest rights.



A TURMA DO PERERÊ.DOC

The documentary presents the emergence of the group of Pererê, by Ziraldo, in comic books. Turma do Pererê was the first Brazilian comic magazine, in color. He also pioneered topics such as ecology, sustainability and social inclusion, as well as aligning his stories with the main events of the Brazilian scene of the time.

SUPPLIERS

To meet the needs of its customers, Lojas Americanas has suppliers from all over Brazil. Once a year, vendors classified as critical, ie those of proprietary and / or textile products, more sensitive to social, environmental or reputational risk are audited on the spot. The main criteria evaluated are: compliance with current legislation, compliance of processes with working conditions and human rights, social responsibility and quality of the final product.

In 2018, seeking to improve this process and aware of its role of fostering a more sustainable value chain; Lojas Americanas joined the Brazilian Textile Retail Association (ABVTEX), reaffirming its commitment to ensure responsible work for its textile chain.

08 environment



08 environment

GRI 102-12, 103-2, 103-3, 305-1, 305-2, 305-3, 305-5

UNGC PRINCIPLES 7, 8, 9

ODS 6, 7, 12, 13

ENVIRONMENT

Collaborate for a more sustainable society and provide more value to our stakeholders. This is the goal of Lojas Americanas' efforts in recent years in relation to the main topics identified in materiality. The Company is constantly working to contribute to mitigating the environmental and social impacts of its activities. For more than 10 years, socio-environmental responsibility strategies have been carried out by the Green Company Committee, created in 2007 and formalized by the Board of Directors in 2010. The group is composed of members from different areas of the Company, enabling the combination of different approaches on environmental management. The Company also has the Sustainability Board, whose main function is to develop integrated activities and processes in support of sustainable practices both inside and outside the company.

Since 2013, Lojas Americanas has started the "green store" concept, with the intention of transforming its operations into more sustainable businesses, through the use of materials and technologies of low environmental impact, such as energy efficient equipment. The reduction of water and energy consumption in stores was the main gain in recent years with the changes. Some of the stores have already undergone maintenance, and the new units are already being built with a responsible architecture. Communication with associates regarding waste and conscious consumption also maintains a prominent and relevant role in achieving the Company's results.

08 environment

ENERGY

Lojas Americanas constantly seeks to improve the use of electricity with energy efficiency actions to reduce energy consumption. In stores, the equipment is being modernized, allowing to align financial economy and environmental awareness through the use of more efficient air conditioning systems and led lighting, for example.

Since 2016, the Company has been operating in the free energy market, buying energy from renewable sources, generated by solar panels, hydraulic turbines, wind generators or biomass, serving a total of 64 stores. In 2017, the Company started operations with Distributed Generation, leasing CGH (Hydroelectric Power Generation) type plants and currently operates with 5 power generation plants, which is compensated in the stores of Rio de Janeiro, Niterói and Minas Gerais, totaling 136 stores.

GAS EMISSION

Global emissions of carbon dioxide, the main cause of global warming, hit a record 33 billion tonnes in 2018, according to the International Energy Agency (IEA). At Lojas Americanas, stimulating eco-efficiency practices is one of the main measures taken to collaborate in the reduction of greenhouse gas emissions, from the choice of equipment to the stores to awareness actions for members. Parallel to this effort, in 2018, Lojas Americanas offset 100% of the greenhouse gas (GHG) emissions resulting from activities in its administrative units in the previous year. The compensation was made through the REDD + Project of the Juma Sustainable Development Reserve in Amazonas, in partnership with the Amazonas Sustainable Foundation (FAS). The initiative seeks to avoid deforestation of about 329 thousand hectares and the emission of 189 million tons of carbon dioxide.

STUDY ON GHG EMISSIONS

In order to understand how to manage the impacts of greenhouse gas (GHG) emissions, the Company carried out two studies with an environmental consultancy; one related to carbon footprint for plastic bags and another to understand how changes in climate can affect the Company's activities. The carbon footprint study was conducted using Life Cycle Assessment (LCA) concepts to identify gaps and opportunities for improvement to reduce emissions related to the use of plastic bags. The second study was composed of two phases: vulnerability analysis and identification of risks and opportunities (1) and survey of adaptation measures (2). The data collected in the surveys serve as a basis for improvement in procedures and methods for corporate risk management, in addition to alignment with good market practices.

EMISSIONS INVENTORY

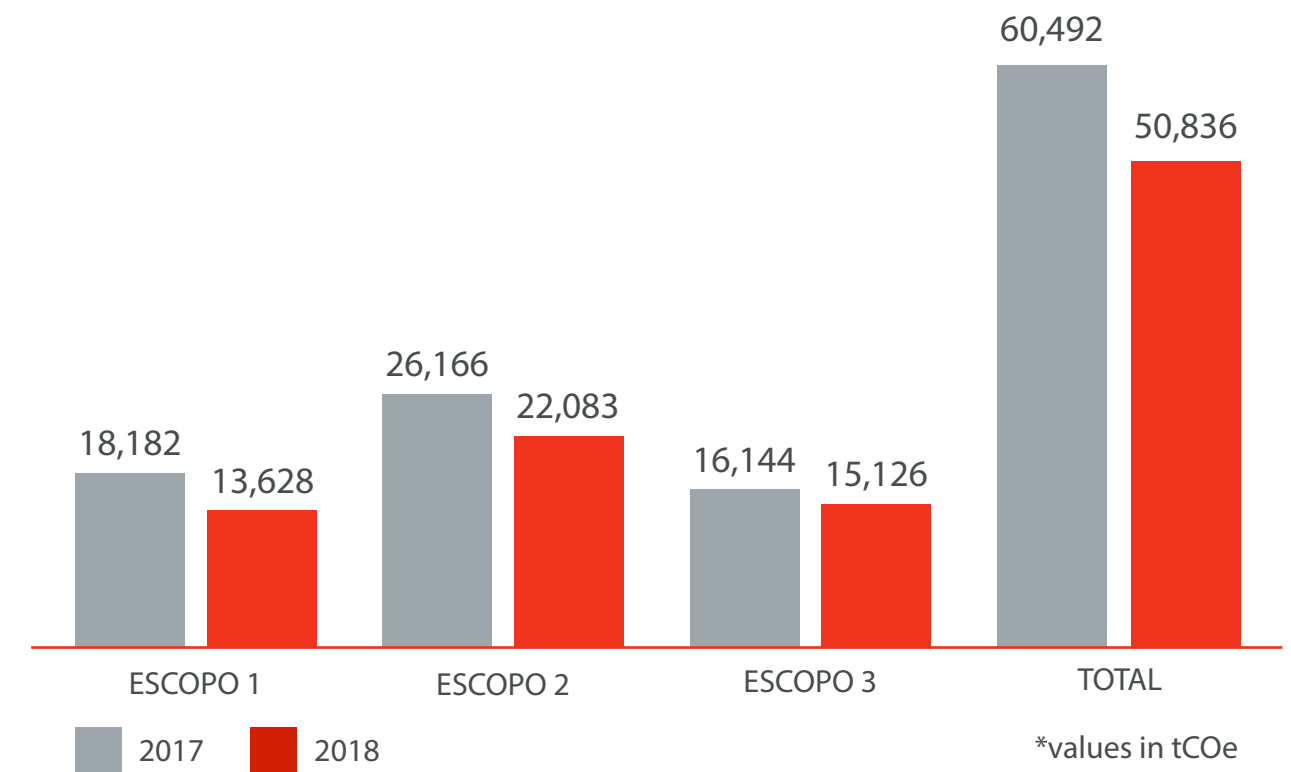
Aware of its role against global warming, since 2009, Lojas Americanas has been part of the Brazilian GHG Protocol Program, a tool that quantifies and manages greenhouse gas (GHG) emissions. The document, which is prepared by members of the Green Company, qualified for the same, is also audited, for the third consecutive year, by an external company, maintaining the commitment to the reliability of the declared data.

The report on GHG emissions related to Lojas Americanas is made with the objective of mapping the main sources of emission of the parent company and structuring a plan to reduce these emissions, joining economic growth with the mitigation of environmental impacts.

08 environment

GHG EMISSION

Even with the opening of 196 stores throughout the year, representing an organic growth of 14.1%, the Company achieved a 16% reduction in total GHG emissions, reflecting its commitment to more efficient activities. Direct Scope 1 emissions had a 25% reduction, with a total of 13,628 tCO₂e, which shows their commitment to search for route optimization and logistics efficiency. Due to the reduction of energy consumption, through energy efficiency projects, the Company achieved a reduction of 16% in emissions of scope 2, with a total of 22,083 tCO₂e. In relation to scope 3 (indirect emissions), there was a reduction of 6%, totaling 15,126 tCO₂e. The continuous advance in the management of GHG emissions, shows that Lojas Americanas seeks economic development in an increasingly sustainable way.



CLIMATE FORUM

Lojas Americanas participates in the Climate Forum, an initiative of the Ethos Institute, composed of companies that believe that the business sector can contribute to the world making the necessary transition to a low carbon economy; taking advantage of new business opportunities and significantly reducing the negative impacts of climate change. In this movement, the Company adhered to the Open Letter to Brazil on Climate Change of 2015.

08 environment

WATER

Lojas Americanas has been adopting practices to save water and reduce its consumption. Most stores across the country already have devices that help reduce water flow on faucets, as well as automatic closing, resulting in a savings of up to 60%. Toilets discharges are being updated to have two dual flush options, which can fight waste in half. In addition to seeking more efficient alternatives to reduce water consumption, Companhia Verde seeks to raise awareness among its members about the rational use of water through environmental education campaigns and actions.



WASTES

“ZERO CARDBOARD” PROJECT

Aware of its responsibility for reducing waste production and aligned with operational benefits, Lojas Americanas created the “Zero Cardboard” project. Instead of using the cardboard carton that takes the items from the Distribution Centers to the stores, polypropylene containers, a polymer free of BPA, have been used. These containers are sturdy and durable and facilitate the movement of goods, with each unit replacing about 1.8 kg of carton boxes. The first stage of the project closed the year covering all the stores served by the Rio de Janeiro DC. In total, some 7,500 containers were delivered, representing a replacement of 13.5 tonnes of cardboard. The estimate is that for the year 2019, that number increases by more than 100%.



SELECTIVE COLLECTION

Lojas Americanas adopts initiatives for the disposal and environmentally responsible disposal of waste. Waste from the Distribution Centers also has adequate disposal by licensed collection companies. Members are also encouraged to participate in the correct disposal of garbage, inside and outside the Company.

09 ^{GRI} Summary



GRI STANDARD	DISCLOSURES	CHAPTERS	GLOBAL COMPACT	SDG	OMISSIONS
ORGANIZATION PROFILE					
GRI 102	102-1: Organization Name	Profile			
GRI 102	102-2: Activities, brands, products and services	Profile			
GRI 102	102-3: Organization headquarters location	Profile			
GRI 102	102-4: Location of operations	Profile			
GRI 102	102-5: Corporate control and legal form of the organization	Profile			
GRI 102	102-6: Markets in which the organization operates	Profile			
GRI 102	102-7: Organization size	Profile			
GRI 102	102-8: Information on employees and contractors	People	Principles 3 and 6	SDG 5, SDG 8, SDG 10	
GRI 102	102-9: Supplier Chain	Partnerships and projects	Principles 4 and 5		
GRI 102	102-10: Significant changes in organization or in its supply chain	No significant changes during the reporting year.			
GRI 102	102-11: Principle or precautionary approach	The precautionary principle is not formally adopted by Lojas Americanas. The company reinforces that it has procedures in its operations to minimize possible damage to the environment and health.	Principles 7, 8 and 9	SDG 11, SDG 12	
GRI 102	102-12: Externally developed initiatives	About the Report, Profile, Partnerships and Projects and the Environment, Governance		SDG 4, SDG 10, SDG 11, SDG 11, SDG 17	
GRI 102	102-13: Participation in associations	Our partnerships and our projects		SDG 17	
STRATEGY					
GRI 102	102-14: Statement of the principal decision-maker	Message from the Management			
GRI 102	102-15: Main impacts, risks and opportunities	Message from the Management, Financial Performance			

GRI STANDARD	DISCLOSURES	CHAPTERS	GLOBAL COMPACT	SDG	OMISSIONS
ETHICS AND INTEGRITY					
GRI 102	102-16 Values, principles, standards and standards of behavior	Profile, Governance, Partnerships and Projects	Principle 10	SDG 16	
GRI 102	102-17 Counseling mechanisms and concern about ethics	Governance	Principle 10	SDG 16	
GOVERNANCE					
GRI 102	102-18: Structure of governance	Governance			
GRI 102	102-19: Delegation of authority	Governance			
GRI 102	102-25: Interest conflicts	Governance			
GRI 102	102-29: Identification and management of economic, social and environmental impacts	Governance			
GRI 102	102-30: Effectiveness of risk management processes	Governance			
ENGAGEMENT OF STAKEHOLDERS					
GRI 102	102-40: List of stakeholder groups	Partnerships and projects			
GRI 102	102-41: Percentage of employees covered by agreements about collective bargaining	All employees are covered by collective bargaining agreements.	Principle 3	SDG 8	
GRI 102	102-42: Identification and selection of stakeholders	Partnerships and projects			
GRI 102	102-43: Approach to engaged stakeholders	Partnerships and projects			
GRI 102	102-44 Main topics and concerns raised	Partnerships and projects			
PRACTICES OF THE REPORT					
GRI 102	102-45: Entities included in the consolidated financial statements	Financial Performance			

GRI STANDARD	DISCLOSURES	CHAPTERS	GLOBAL COMPACT	SDG	OMISSIONS
GRI 102	102-46: Definition of content and limits of aspects regarded on collective bargaining	About the report			
GRI 102	102-47: List of material aspects	About the report			
GRI 102	102-49: Changes in the report	About the report, Partnerships and Projects			
GRI 102	102-50: Reporting period	About the report			
GRI 102	102-51: Date of most recent previous report	June 2018.			
GRI 102	102-52: Report publishing cycle	Annually			
GRI 102	102-53: Contact for questions about the report	About the report			
GRI 102	102-54: Approach reporting according to the GRI standards	About the report			
GRI 102	102-55 : GRI Content Index	GRI Summary			
GRI 102	102-56: External Assurance	This reporting cycle, based on the Integrated Report and GRI models, relies on an external audit of SGS ICS Certificadora S.A. The financial information is audited by KPMG Auditores Independientes and the information on Atmospheric Emissions verified by SGS ICS Certificadora S.A.			
ECONOMIC PERFORMANCE					
GRI 103	103-1: Explanation of the material theme and its limits	About the report			
GRI 103	103-2: Management form and its components	Governance, Financial performance			
GRI 103	103-3: Evolution of the management form	Governance, Financial performance			
GRI 201	201-1: Direct economic value generated and distributed	Governance, Financial performance			

GRI STANDARD	DISCLOSURES	CHAPTERS	GLOBAL COMPACT	SDG	OMISSIONS
GRI 201	201-2: Financial implications and other risks and opportunities due to climate change	Lojas Americanas does not disclose the financial implications and other risks and opportunities due to climate change. The company conducted a vulnerability study with an environmental consulting firm to provide information on how climate change can affect operations.	Principle 7	SDG 13	
ANTICORRUPTION					
GRI 103	103-1: Explanation of the material theme and its limits	About the report, Governance			
GRI 103	103-2: Management form and its components	Governance			
GRI 103	103-3: Evolution of the management form	Governance			
GRI 205	205-1: Operations evaluated against risks related to corruption	Governance	Principles 10	SDG 16	
GRI 205	205-2: Policy communication and training and anti-corruption procedures	Governance	Principles 10	SDG 16	All associates joining the Company receive training regarding the Code of Ethics and Conduct, which addresses anti-corruption practices.
GRI 205	205-3: Occurrence of confirmed cases of corruption and actions taken	There are no records of corruption cases.			
UNFAIR COMPETITION					
GRI 206	206-1: Lawsuits brought against unfair competition, practice of trust and monopoly	There are no records of lawsuits due to unfair competition.			
EMISSIONS					
GRI 103	103-2: Management form and its components	Environment			

GRI STANDARD	DISCLOSURES	CHAPTERS	GLOBAL COMPACT	SDG	OMISSIONS
GRI 103	103-3: Evolution of the form of management	Environment			
GRI 305	305-1: Direct GHG emissions (Scope 1)	Environment	Principles 7 and 8	SDG 13	
GRI 305	305-2: GHG emissions - energy (Scope 2)	Environment	Principles 7 and 8	SDG 13	
GRI 305	305-3: Indirect GHG emissions (Scope 3)	Environment	Principles 7 and 8	SDG 13	
GRI 305	305-5: Reduction of GHG emissions	Environment	Principles 7 and 8	SDG 13	
ENERGY					
GRI 103	103-2: Management form and its components	Environment		SDG 7	
GRI 103	103-3: Evolution of the management form	Environment		SDG 7	
WATER					
GRI 103	103-2: Management form and its components	Environment		SDG 6	
GRI 103	103-3: Evolution of the management form	Environment		SDG 6	
EFFLUENT AND WASTE					
GRI 103	103-2: Management form and its components	Environment		SDG 12	
GRI 103	103-3: Evolution of the management form	Environment		SDG 12	
ENVIRONMENTAL COMPLIANCE					
GRI 307	307-1: No compliance of laws and environmental regulations	Punctual cases were recorded and duly corrected when identified.	Principles 7, 8 and 9	SDG 12	
JOB					
GRI 103	103-1: Explanation of the material theme and its limits	About the report, People			

GRI STANDARD	DISCLOSURES	CHAPTERS	GLOBAL COMPACT	SDG	OMISSIONS
GRI 103	103-2: Management form and its components	People			
GRI 103	103-3: Evolution of the management form	People			
GRI 401	401-1: New hires and employee turnover	People	Principle 6	SDG 8	Information regarding turnover will be disclosed in the Reference Report on the IR website.
GRI 401	401-2: Benefits for Full Time Employees that are not provided to temp employees or part-time	People			
GRI 401	401-3: Maternity / paternity leave	People			All associates are governed by the country's consolidated labor laws (CLT), having the right to maternity / paternity leave. Other indicators are treated internally.
LABOR RELATIONSHIPS					
GRI 103	103-1: Explanation of the material theme and its limits	About the report, People			
GRI 103	103-2: Form of management and its components	People			
GRI 103	103-3: Evolution of the form of management	People			
GRI 401	402-1 Minimum notice period for changes operational	The company is in agreement with the CLT and follows the guidelines of the unions.			
OCCUPATIONAL HEALTH AND SAFETY					
GRI 103	103-1: Explanation of the material theme and its limits	People			
GRI 103	103-2: Management form and its components	People			

GRI STANDARD	DISCLOSURES	CHAPTERS	GLOBAL COMPACT	SDG	OMISSIONS
GRI 103	103-3: Evolution of the management form	People			
GRI 403	403-1: Formal representation of workers participating in health and safety committees	People			
TRAINING AND EDUCATION					
GRI 103	103-1: Explanation of the material theme and its limits	People			
GRI 103	103-2: Management form and its components	People			
GRI 103	103-3: Evolution of the management form	People			
GRI 404	404-1: Average hours of training per year per employee	People			The companies disclose only the total number of hours of training. The average number of hours of training performed by associates is treated internally.
GRI 404	404-2: Program of knowledge management and continuous learning	People			
GRI 404	404-3 Percentage of Employees Receiving regularly performance and career development evaluations	People			
DIVERSITY AND EQUAL OPPORTUNITIES					
GRI 103	103-2: Management form and its components	People			
GRI 103	103-3: Evolution of the management form	People			
GRI 405	405-1 Diversity of governance bodies and employees	People		SDG 5, SDG 10	The Company disclose diversity indicators regarding gender. The other indicators are treated internally.

GRI STANDARD	DISCLOSURES	CHAPTERS	GLOBAL COMPACT	SDG	OMISSIONS
FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING					
GRI 407	407-1 Operations and suppliers where the right to freedom of association and collective bargaining may be at risk	There was none.	Principle 3	SDG 8	
CHILD LABOR					
GRI 408	408-1: Child labor	Governance	Principle 5	SDG 16	
FORCED LABOR OR ANALOGUE TO SLAVERY					
GRI 409	409-1: Operations and suppliers with significant risk of forced or compulsory labor required	Governance	Principle 4	SDG 16	
EVALUATION OF SUPPLIERS FOR SOCIAL ASPECTS					
GRI 414	414-1: New suppliers that have been selected using social criteria	Partnerships and projects, Governance	Principles 1 and 2	SDG 16	
PUBLIC POLICIES					
GRI 415	415-1: Donation Policy	No political donations were made	Principle 10	SDG 16	
MARKETING AND LABELING					
GRI 417	417-1: Requirements for information and labeling of products and services	Lojas Americanas operates in accordance with the product labeling regulations.			
GRI 417	417-2: Cases of non-compliance with information and labeling of products and services	There was none.			

GRI STANDARD	DISCLOSURES	CHAPTERS	GLOBAL COMPACT	SDG	OMISSIONS
GRI 417	Cases of non-compliance with marketing communications	There was none.			
CLIENT PRIVACY					
GRI 418	418-1 Proven complaints regarding privacy violations and loss of customer data	There was none.			
SOCIOECONOMIC COMPLIANCE					
GRI 419	419-1: Non-compliance with laws and regulations of social and economic areas	Cases identified were worked out, in accordance with legal requirements and Company values. In the economic scope, we do not envisage any occurrence in the matter.			

assurance statement

STATEMENT BY SGS ICS CERTIFICADORA LTDA. (SGS) REGARDING THE SUSTAINABILITY ACTIVITIES PROVIDED IN “SUSTAINABILITY REPORT 2018” GIVEN TO LOJAS AMERICANAS S.A.

ASSURANCE NATURE AND SCOPE

SGS was hired by LOJAS AMERICANAS to render independent assurance of its Sustainability Report 2018. Based on assurance methodology of SGS Sustainability report, the certification scope includes the text and data related to GRI guidelines standard for sustainability report, including the disclosures provided in this report.

The responsibility for information of “SUSTAINABILITY REPORT 2018” and its presentation lies on board and management of LOJAS AMERICANAS. SGS does not take part of presentation in any material provided in said report. We are responsible for giving our opinion of the text, data, charts and statement within the certification scope, detailing the intention of informing the stakeholders of LOJAS AMERICANAS.

The SGS group has developed a set of Assurance protocols for communicating the sustainability based on the best practices provided in GRI Sustainability Reporting Standards guide and the ISAE3000 assurance standard and sustainability report. These protocols give different options of assurance level depending on context and capacity of declarant organization.

This report was assured through our protocol for assessing the content legitimacy and its alignment with aspects of requirements of GRI Sustainability Reporting Standards (Universal Standards 101,

102 and 103) in addition to the requirements of Topic-specific Standards (GRI 200, GRI 300 e GRI 400), according to the subject matters identified by LOJAS AMERICANAS. through the process detailed in the said report. Based on such context, “THE SUSTAINABILITY REPORT 2018” is deemed as Core Option

INDEPENDENCE AND COMPETENCE STATEMENT

The SGS group is a worldwide leader in inspections, analysis and verifications which operates in 140 countries rendering services that includes management system certification, audits and training on quality, environment, social and ethic areas, as well as assurance of sustainability reports and verification of greenhouse gases. SGS reinforce its Independence from LOJAS AMERICANAS becoming cleared from any interest conflict against the organization, their subsidiaries and stakeholders.

The assurance team was nominated based on knowledge, expertise and skills for this service and was composed of:

- An Auditor on Assurance of Sustainability Report, Auditor on Socioenvironmental programs, Lead Auditor on RenovaBio Program.
- An Auditor on Assurance of Sustainability Report, a Lead Assessor of Greenhouse Gases (GHG), Auditor on Quality, Environmental, health and Safety Management System.
- An Auditor on Assurance of Sustainability Report, a Lead Assessor of Greenhouse Gases (GHG) and climate change program, Lead Auditor on Socioenvironmental programs

assurance statement

ASSURANCE OPINION

A limited assurance was ordered, and the work performed was enough and suitable to a reasonable assurance. Regarding the methodology presented and a verification performed, we are sure the information and data contained in ANNUAL REPORT – 2018 is reliable and a balanced and accurate representation of the sustainability activities performed by LOJAS AMERICANAS in 2018. The assurance team has the opinion the report can be used by stakeholders of LOJAS AMERICANAS. The organization has elected the core option, which meets their needs.

In our opinion the report content meets the GRI standard requirements.

RECOMMENDATIONS, FINDINGS AND CONCLUSIONS OF GLOBAL REPORTING INITIATIVE GRI STANDARD

The LOJAS AMERICANAS, "SUSTAINABILITY REPORT 2018", is aligned with Sustainability Reporting Standards, (Universal Standards 101, 102 and 103) in addition to the requirements of Topic-specific Standards (GRI 200, GRI 300 and GRI 400), Core Option, except the disclosures that were not reported fully, these are 205-2, 401-1, 401-3, 404-1, 405-1.

The LOJAS AMERICANAS reviewed the materiality matrix in 2018, which comprised a research with a stakeholder's portion. The research was constituted by two stages; the first one an interview with the management of different company departments. The second one an online questionnaire to associates, clients, suppliers, experts, associations, press, civil society, communities, investor.

The subject matters are:

'Economic and financial performance' "Job generation"

"Law and Regulation Performance" "Labor Relations"

"Ethic Culture for Fighting Corruption"

"Associates Qualification and Professional Development"

"Associates' health, safety and working conditions".

It is important to highlight the company commitment to enhance its management against all subject matters, counting with a plenty of means to recruit and hire professionals, the team is committed to occupational safety and worker refreshing trainings in addition to promote actions related to diversity and equal claims, corruption fighting and legal compliance. All these matters were assessed through interviews during the audit process.

One of the most important links of the value chain of LOJAS AMERICANAS is their providers, this is also a subject matter and as detailed in report the company audits their textile providers and own brands against the legal compliance, social and environmental practices annually, an integrated management between legal, business and sustainability areas.

By keeping using the GRI Standard, LOJAS AMERICANAS demonstrate their commitment to sustainability in the area where they operate. Equally, they report voluntarily their GHG inventory, which is also assessed by SGS. This information was used in GRI report.

assurance statement

The LOJAS AMERICANAS has applied their best efforts to develop a sustainability report consistent to their good quality. The data compilation complexity of the company requires flexibility and perseverance to get the data by the reporting management group,

For the contribution to future enhancing and development of annual reports and a more-effectiveness report in assurance process, we recommend to LOJAS AMERICANAS the following:

- To highlight the company targets against the other providers (except the textile ones and own brands that had already been assessed), for the audits and their control regarding social and environmental aspects;
- To highlight the positive aspects related to internal qualification of the employees; and
- To highlight the positive impact that Lojas Americanas generate on small towns where it is placed at, taking into consideration the development and local job generation.
- To highlight the waste and water generation consumption, demonstrating to members the company has been developing the targets and reduction actions.

Finally, SGS congratulates LOJAS AMERICANAS for the initiative for keeping performing their annual report, despite of requiring a huge restructuration reporting process and the assurance of such document. This attitude shows, in our opinion, the company commitment to the sustainability matter.

Executed by and on behalf of SGS



Fabian Peres Gonçalves Business manager - Sustainability

Lead Auditor for Sustainability Report SGS ICS Certificadora Ltda.

May 22, 2019

www.sgs.com

credits

COORDINATION

Executive Board of Communication and Sustainability

Executive Board of Investor Relations

COPYWRITING AND GRI CONSULTING

Walk4Good

MATERIALITY ASSESSMENT

Fundação Espaço Eco

GRAPHIC PROJECT AND DESIGN

JP7

PHOTOGRAPHY

Saulo Domingos Soares

Image Bank of Lojas Americanas

LOJAS AMERICANAS
