

ANNUAL REPORT OF THE BOARD OF DIRECTORS OF AMADEUS IT GROUP S.A. FOR THE FISCAL YEAR ENDING DECEMBER 31, 2017

In accordance with Article 4 of the Regulations of the Board of Directors and pursuant to recommendation 36 of the Good Governance Code of Listed Companies, the Board of Directors, in plenary session at its meeting held on February 27, 2018, issues this Annual Report for the fiscal year ending December 31, 2017.

The purpose of this Report is to evaluate i) the quality and efficiency of the Board's operation, ii) the performance and membership of its Committees, iii) the diversity of board membership and competences, iv) the performance of the Chairman of the Board and the CEO of the Company, and (v) the performance and contribution of individual Directors, with particular attention to the position of Committee Chairman.

For this purpose, the Nominations and Remuneration Committee and the Audit Committee have submitted their respective Annual Reports, as approved by each one of these Committees, in plenary sessions, on February 15th and February 26th 2018, respectively.

SELF-EVALUATION OF THE BOARD OF DIRECTORS

It is a common practice for the Board of Directors to distribute, through the Secretariat of the Board, an annual questionnaire at the end of each fiscal year. This questionnaire includes, amongst other sections, a self-evaluation and questions, needed for the fulfilment of the current report.

For the fiscal year 2017, the Board of Directors has selected an external advisor, PriceWaterhouseCoopers (PWC), to evaluate the functioning of the Board of Directors and its respective Committees, in order to analyse the effectiveness of the Company corporate governance, identifying opportunities for improvement to ensure proper compliance with existing obligations or recommendations in this area.

PWC met with each and every one of the Directors of the Company (with the exception of Mrs. Pilar García, who joined the Board on December 15, 2017), counting with the support of the Secretariat of the Board, who was responsible for the project coordination.

With this initiative, the Company complies with recommendation 36 of the Good Governance Code of Listed Companies, which defines that the Board of Directors engage an external advisor to help in the evaluation process every three years.

The independence of the external advisor was verified by the Nominations and Remuneration Committee.

An ad-hoc questionnaire, divided in two different Sections, was designed for the purpose of the meetings, and it has been used as the base for the interviews:

A) Declarative Section

Objective information that allows the Company to obtain details needed for the drafting of the different annual reports (–annual accounts, Corporate Governance Annual Report, amongst others-).

B) Self-assessment Section

Subjective information related to the functioning of the Board of Directors and its Committees, among other aspects. This second Section is the one that the current Report refers to.

This Section is divided in six blocks:

- I) **Functioning of the Board of Directors**, with questions related to the Board's effectiveness and internal functioning.
- II) **Structure and composition of the Board of Directors**, comprising questions to obtain the Director's opinion on the Board's structure and composition, and the capacities and skills of its members.
- III) **Board of Directors' Committees**, where the Directors are asked to evaluate the performance of the functions of the Audit Committee and the Nominations and Remuneration Committee.
- IV) **Board of Directors' agenda**, where the Directors are asked about the Board's performance in areas or matters within its scope, such as the current corporate governance model, CSR policy, involvement in the design and approval of strategy, in financial and investment policies, and participation in decision-making on significant transactions, among other aspects.
- V) **Chairman of the Board Directors and CEO**, where the Directors were asked their opinion on the performance of their functions and fulfilment of responsibilities.
- VI) **Forward-looking areas**, with questions relating to improvement opportunities or aspects to be developed in the future.

From the preliminary conclusions of the analysis, no deficiencies were identified in the areas assessed. The Report included certain recommendations on areas which could be debated by the Board to assess potential improvements. This will take place, in order to define, if deemed advisable, an action plan 2018-2019.

COMPOSITION OF THE BOARD OF DIRECTORS

It is important to remark that Mr. José Antonio Tazón, Mr. Luis Maroto, Mr. David Webster, Mr. Francesco Loredan, Mr. Stuart McAlpine, Mr. Pierre-Henri Gourgeon, Dame Clara Furse, Mr. Marc Verspyck, Dr. Roland Busch and Mr. Guillermo de la Dehesa were renewed during 2017 as Directors for an additional one-year term in accordance with Article 35 of the Corporate Bylaws.

All of these renewals, as well as qualification of independent Directors, as applicable, were based on a prior favorable report from the Nominations and Remuneration Committee.

At the same time, upon proposal from the Nominations and Remuneration Committee, the Ordinary General Shareholders' Meeting held on June 15, 2017, appointed Mr. Nicolas Huss as independent Director for a three years term, covering the existing vacancy in the Board, increasing the number of Directors up to eleven members.

The Director Mr. Stuart McAlpine resigned from his position effective December 14, 2017, due to personal reasons. He was replaced by the independent Director Mrs. Pilar García Ceballos-Zúñiga, upon proposal from the Nominations and Remuneration Committee, by co-optation method.

Similarly, during the year 2017, the status of Mr. Francesco Loredan and Mr. Stuart McAlpine (already resigned) was reclassified from independent to "other external" due to the maximum term of twelve continuous years serving as Directors.

Mr. Pierre-Henri Gourgeon' status was also reclassified from "other external" to independent, within the course of the renewal process of his mandate carried out by the aforementioned General Shareholders' Meeting, upon proposal from the Nominations and Remuneration Committee.

Accordingly, the first and last date of appointment, expiration date of term of office and election procedure of the Directors are as follows:

Director	Date first appointment	Date last appointment	Expiration Term of Office	Election procedure
MR. JOSE ANTONIO TAZÓN	02/12/2008	15/06/2017	15/06/2018	GENERAL SHAREHOLDERS' MEETING
MR. GUILLERMO DE LA DEHESA	29/04/2010	15/06/2017	15/06/2018	GENERAL SHAREHOLDERS' MEETING
MR. MARC VERSPYCK	26/06/2014	15/06/2017	15/06/2018	GENERAL SHAREHOLDERS' MEETING
DAME CLARA FURSE	29/04/2010	15/06/2017	15/06/2018	GENERAL SHAREHOLDERS' MEETING

MR. DAVID WEBSTER	06/05/2010	15/06/2017	15/06/2018	GENERAL SHAREHOLDERS' MEETING
MR. FRANCESCO LOREDAN	21/02/2005	15/06/2017	15/06/2018	GENERAL SHAREHOLDERS' MEETING
MR. PIERRE-HENRI GOURGEON	29/12/2005	15/06/2017	15/06/2018	GENERAL SHAREHOLDERS' MEETING
MR. ROLAND BUSCH	1/07/2013	15/06/2017	15/06/2018	GENERAL SHAREHOLDERS' MEETING
MR. LUIS MAROTO	26/06/2014	15/06/2017	15/06/2018	GENERAL SHAREHOLDERS' MEETING
MR. NICOLAS HUSS	15/06/2017	-	15/06/2020	GENERAL SHAREHOLDERS' MEETING
MRS. PILAR GARCÍA	15/12/2017	-	NEXT GENERAL SHAREHOLDERS' MEETING	CO-OPTATION

Secretariat (Non-Directors):

MR. TOMÁS LÓPEZ FERNEBRAND	18 January 2006	-	-	BOARD OF DIRECTORS
MR. JACINTO ESCLAPÉS	18 January 2006	-	-	BOARD OF DIRECTORS

The composition of the Board of Directors as at December 31, 2017 together with the position and status, is as follows:

Name or Corporate Name of Director	Position on the Board	Status
MR. JOSE ANTONIO TAZÓN	CHAIRMAN	INDEPENDENT
MR. GUILLERMO DE LA DEHESA	VICE-CHAIRMAN	INDEPENDENT
DAME CLARA FURSE	DIRECTOR	INDEPENDENT
MR. DAVID WEBSTER	DIRECTOR	INDEPENDENT
MR. PIERRE-HENRI GOURGEON	DIRECTOR	INDEPENDENT
MR. NICOLAS HUSS	DIRECTOR	INDEPENDENT
MRS. PILAR GARCÍA	DIRECTOR	INDEPENDENT
MR. LUIS MAROTO	CEO	EXECUTIVE
MR. MARC VERSPYCK	DIRECTOR	OTHER EXTERNAL
DR. ROLAND BUSCH	DIRECTOR	OTHER EXTERNAL
MR. FRANCESCO LOREDAN	DIRECTOR	OTHER EXTERNAL

Secretariat:

MR. TOMÁS LÓPEZ FERNEBRAND	SECRETARY OF THE BOARD (NON-DIRECTOR)
MR. JACINTO ESCLAPÉS	VICE-SECRETARY OF THE BOARD (NON-DIRECTOR)

In this respect, it is important to remark the Directors Selection Policy, approved by the Board of Directors in the meeting held on April 21, 2016, with the prior endorsement from the Nominations and Remuneration Committee, by virtue of which the Directors selection process takes into account an analysis that considers a range of factors including, but not restricted to:

- the current strategy for the business;
- the current Board composition, in particular the industry sector, functional and geographic experience of Directors;
- the diversity of the Board, in particular, but not restricted to, gender diversity.

Mr. Nicolas Huss' appointment, with extensive experience in the seamless payment area and Mrs. Pilar García's appointment who, in addition to contributing to gender diversity, has developed her professional career in the technology area, are both a good evidence of the implementation of the policy.

During fiscal year 2017 six meetings were held, all of them in person, although it was also permitted to attend by telematic means. An additional mail vote session was also held, unanimously agreed by all the Directors in advance.

All Board meetings were attended by the Chairman of the Board of Directors, Mr. José Antonio Tazón, as well as by the CEO, Mr. Luis Maroto.

The separation of functions between the Chairman and the CEO is maintained, so that the offices are kept in different persons, avoiding the concentration of power in only one person.

The work of the Chairman of the Board throughout fiscal year 2017 has been positively valued by the members of the Board of Directors, remarking his experience and his long professional career in the industry in which the Company performs its business, preserving the independence of the Board of Directors and aligning the Company's interest with shareholders' interest.

In general terms, the evaluation by each of the Directors regarding Board structure and functioning and of the fulfilment of its responsibilities is very positive.

With regard to the Audit and Nominations and Remuneration Committees, the Directors have a very positive opinion of their internal functioning and formal aspects, with a high degree of satisfaction in the performance of the responsibilities entrusted. In general terms, the Directors recognise the high-level preparation of their members, and the independence and rigour of their work, which allows the Board a high-level of comfort.

The positive assessment of the CEO Mr. Luis Maroto' performance in his area of responsibility is a matter of consensus amongst the Directors, highlighting his considerable knowledge of the business and willingness to tackle new challenges and business opportunities for the Company.

All of the foregoing leads, for the purposes of this Annual Report, to a positive assessment of the quality and efficiency of the functioning of the Board, as well as of the performance of the Chairman of the Board and of the most senior executive of the Company. Likewise, the functioning of the Audit Committee and of the Nominations and Remuneration Committee and their respective Chairman are assessed positively.

Madrid, 27 February 2018