**The Board of Director's report on its evaluation of remuneration to senior executives**

The board of directors of BTS Group AB has resolved that the duties that which are to  be assigned to the remuneration committee according to the Swedish code of corporate governance (the Corporate Governance Code) will be performed by the board, without participation of the President. Matters concerning the President's terms of employment, remuneration and benefits are prepared and determined accordingly by the board. In addition, the board monitors and evaluates all programs for variable remuneration to the company management.  The board also monitors and evaluates the application of the guidelines for remuneration to senior executives resolved upon by the annual general meeting and the current remuneration structures and rates of compensation in the company. The board hereby submits the following report on its evaluation, in accordance with item 10.3 of the Corporate Governance Code.

During 2017, the board has monitored and evaluated the company's guidelines for remuneration to senior executives and the company's program for variable remuneration to senior executives. The programs for variable remuneration were handled at the board meeting on February 19, 2018. It was established that these programs have been appropriate and that the other remuneration received by the senior executives during 2017 was in accordance with the guidelines approved by the annual general meeting. Furthermore, it was established that these guidelines, in light of the described outcome, fulfilled their purpose well and functioned in the manner intended. Therefore, the board considers that the application of the guidelines for remuneration to senior executives has been correct. In addition, the board has monitored and evaluated the remuneration structures and rates of compensation for senior executives in the company, which the board considers market-related and well-balanced.

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BTS GROUP AB (PUBL)
Stockholm, April 2018
*The Board of Directors*