

## Instructions for companies

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## 1 Formalities

### 1.1 Summary

These instructions govern how LinTek is to control the companies it owns.

### 1.2 Purpose

The purpose of these instructions is to clarify how the owner representatives should act in the companies that LinTek owns, and to clarify for the companies what LinTek expects from them and what they can expect from LinTek.

### 1.3 Scope

These instructions apply to all companies owned by LinTek and all owner representatives within LinTek.

### 1.4 History

Draft completed on 23 March 2015 by Karin Jerner.

Revised on 3 December 2015 by Sebastian Brandtberg.

Revised on 31 March 2017 by Erik Claesson.

Revised on 14 May 2019 by Sebastian Carlshamre, Elin Mattsson and Jakob Steneteg.

Adopted by a decision at a Union Board meeting [No. 11, 18/19].

Revised on 14 June 2022 by Beatrice Ronsten. Adopted by decision of Union Board meeting [No. 4, 22/23].

A full editorial history can be found on [GitLab](#).

## 2 General provisions

All owner representatives will always work for the best interests of the science and engineering students and, if possible, for the best interests of all students. Should any of the items listed below be in conflict, the Union Board should always be consulted.

## 3 Company-specific provisions

### 3.1 Ownership instructions for Linus & Linnea AB (LoLAB)

#### 3.1.1 Activities

LoLAB is a wholly owned subsidiary of LinTek. LoLAB will act as a holding company and be a transparent owner of the shares in BokAB. LoLAB appoints all representatives to the BokAB Board on the reconciliation from the Union Board.

#### 3.1.2 Board of Directors

The Board of Directors of LoLAB will consist of the incumbent President of the Union, the Chair of the Union Board and the Union President or Chair of the Union Board for the previous year. The Board of Directors has the task of maintaining the status of the limited liability company as a limited liability company.

The Board of Directors of LoLAB will undertake active and professional Board work and ownership work, including updating and following up the owner instructions for BokAB.

The Chair of LoLAB is responsible for the company's reporting and communication with the BokAB Board of Directors and the operational director. The Chair of LoLAB will report at least once a year during a meeting to the Union Board in LinTek.

#### 3.1.3 Finance

LoLAB will ensure that a financial buffer exists and is managed. The buffer must amount to at least SEK 1.5 million. The buffer is intended to safeguard BokAB's operations without any financial impact on LinTek. No business activities will be carried out in the association.

### 3.2 Ownership instructions for Bokakademin i Östergötland AB (BokAB)

#### 3.2.1 Purpose of BokAB

The aim of BokAB is to deliver the greatest possible technological benefit to complement LinTek's own operations. Delivery will take place within the framework of BokAB as defined in these ownership instructions.

#### 3.2.2 Time frame and updating of the instructions

- These instructions have been drawn up with a timescale of four years, i.e. until 30 June 2023. A more thorough revision should take place towards the end of this period
- The ownership instructions will ensure continuity in the governance of BokAB
- BokAB's ownership instructions will be adopted at BokAB's general meeting
- An annual review with possible minor adjustments of the ownership instructions will take place well in advance of the annual general meeting of BokAB.

#### 3.2.3 Ownership structure

The ownership structure is shown in the illustration below. LoLAB wishes to retain this structure. LinTek has 100% ownership in LoLAB, which in turn has 100% ownership in BokAB.

### 3.2.4 Role distribution

LinTek and LoLAB consider it important to have clear roles and responsibilities in the structure. The players are presented below:

**LinTek:** The purpose of LinTek is primarily to deliver the student union assignment established by LiU. They will deliver student benefits with a focus on students' working time/study time, such as educational development, health and safety, student representation, welcoming of new students and contact with the business community. A person in a managerial position in LinTek should not act in a managerial position in BokAB, in order to avoid conflicts of interest in their different roles.

**LoLAB:** LoLAB's purpose is to constitute the sole channel for LinTek's corporate governance of BokAB. This means being a collective body for owner work, for example the preparation, updating and follow-up of ownership instructions and the appointment and evaluation of the Board of Directors of BokAB. Also responsible for part of the reporting and information from BokAB to LinTek. In addition, LoLAB will ensure that a financial buffer exists and is managed. No operating activity will be carried out in the limited liability company.

**BokAB:** BokAB is the operating company. For many years, LinTek has chosen to conduct selected activities in BokAB and not under its own auspices. The objectives are to reduce the financial risk of the union, create continuity in management/delivery and an appropriate organisation and to be able to focus on its own union activities. BokAB will deliver student benefits, for example by contributing materials that facilitate studies. For example, BokAB provides the services described under the heading "Target market and activities" below.

### 3.2.5 Definition of student, science and engineering student and union member

- Student refers to students in first, second and third cycle studies at LiU
- Science and engineering students refer to students in first, second and third cycle studies at LiTH
- Union member refers to a student with membership of LinTek.

### 3.2.6 Business concept

*The business concept below was formulated by BokAB's Board of Directors in autumn 2017:*

*We operate a bookstore by providing Linköping University science and engineering students with affordable course literature and other study materials.*

*We make life easier for students with our favourable prices.*

### 3.2.7 Vision

The vision below was formulated by the BokAB Board of Directors in autumn 2017:

*We create successful students with a high level of performance!*

### 3.2.8 Target market and activities

BokAB's target market will primarily be science and engineering students at Linköping University (LiU) and secondarily all students at Linköping University. In addition, BokAB will cooperate with LinTek; its activities should also be directed towards cooperating with student associations at LiU in order to create technological benefits and promote student life.

BokAB's activities are to provide students with academic literature, stationery and other materials, as well as services related to studies, student life and everyday life. This will be done at favourable prices for students, without making a loss..

### 3.2.9 Development of future student benefit

LoLAB mandates BokAB to increase student benefit through existing and new products. BokAB is responsible for coming up with ideas for and developing new services. This work can advantageously be done in collaboration with LinTek, student associations and individual students

### 3.2.10 LinTek student union members

LinTek wishes to attract more union members and create greater benefit for its union members. BokAB is therefore mandated to:

- Communicate and make clear to students their connection to LinTek and its mission and delivery of technological benefit
- Create and maintain cooperation agreements with LinTek regarding union membership benefits.

### 3.2.11 Monitor and measure technological benefit and union membership benefit

LoLAB's intention with BokAB is for the company to deliver growing technological benefit. How science and engineering students at LiU perceive the goal is crucial to attaining it. BokAB will therefore ensure that the delivered and perceived technological benefit grows continuously by conducting comparable measurements and analyses of how the science and engineering students at LiU perceive the technological benefit and union membership benefit for LinTek union members. These assumptions then form the basis for how technological benefit and union membership benefit can be further developed. The measurements and analyses will be included in the BokAB reporting to LoLAB.

### 3.2.12 Sustainability

LoLAB wishes BokAB to strive to operate in a sustainable manner from the following perspectives. Sustainability ambitions should be reasonable and balanced with other objectives and instructions:

- Economic – for example reinvest profits in the business
- Social – for example employees should have a pleasant and favourable working environment
- Environmental – for example try to make climate-smart choices and prioritise environmentally sustainable products.

### 3.2.13 Profit and growth targets

The target for profit after net financial items, after any discounts and similar to LinTek's members, divided by turnover (i.e. profit margin) is to reverse the negative trend and go into profit before 30 June 2023. New financial targets will then be set.

### 3.2.14 BokAB's financing, financial stability and share distribution

- LoLAB is concerned that BokAB should have a strong financial position
- BokAB will be self-financing
- Management of funds in the company must be at low risk
- The equity/assets ratio of BokAB must be at least 70%
- The quick ratio of BokAB must be at least 100%
- Other than the repayment of new shareholder contributions, no dividend will be paid to LoLAB

### 3.2.15 Risk taking

LoLAB considers that the company should be governed and managed with low risk, in terms of both finance and other activity. Greater risk may be taken when investing in new activities within the framework of BokAB's ownership instructions.

### 3.2.16 Board of Directors and Head of Operations of BokAB

- BokAB should conduct active and professional governance
- The composition of the Board should reflect the company's objectives and challenges for the next three years
- The chair should be external, i.e. not active in LinTek or in the company
- The chair should also not be a full-time student
- An appointed representative of the LoLAB Board has the right to attend and speak as a co-opted member of the BokAB Board, but does not have a duty to attend
- The chair and members of the Board will receive fees
- BokAB will have a Head of Operations appointed by the Board of BokAB.

### 3.2.17 Restrictions on the BokAB Board

LoLAB imposes the following restriction on the Board of BokAB:

- Before deciding on the start-up or close-down of areas of activity or changes in premises, BokAB must obtain a decision from LoLAB, which in turn must obtain a decision from the LinTek Board.

### 3.2.18 BokAB's reporting

- The Chair of BokAB is responsible for ensuring that LoLAB has access to all material to which the Board of BokAB has access, such as reports and forecasts, decision-making documents and Board minutes, with the exception of "sensitive matters".
- The Chair of BokAB will report twice a year in writing to the Board of LoLAB.

## 3.3 Kårservice AB (Kårservice)

Kårservice is a part-owned company that LinTek owns through the non-profit association Kårservice ägarförening (KSÄF). Ownership instructions for Kårservice are thus developed in KSÄF, where LinTek has voting rights. These instructions therefore govern how the LinTek owner representative should act in the preparation of the Kårservice ownership instructions.

### 3.3.1 Aim and purpose of the company

The purpose of Kårservice is to provide an infrastructure for student life at LiU. Kårservice should not be used as a means of power for the owners' own gain, but should be focused on the students' best interests.

The mission of Kårservice is to offer favourable prices to LinTek members, without making a loss. When selling to other customer groups, but not other students, the focus should be on profit maximisation.

### 3.3.2 Financial governance principles and coordination

Kårservice will be operated on a commercial basis in compliance with the purpose of the activity. All areas of activity will aim to be financially self-sustaining.

The long-term goal of Kårservice will be to achieve a surplus in its operations, and the profits will be used for funding or investment in its own operations.