

| Overview   | Legal Change  | Action required  |
|--|---|--|
| <p><b>Confidentiality and Business Secrets</b></p> <p>There is an increased need for confidentiality clauses in Polish employment contracts.</p> | <p>The old statutory protection preventing employees from disclosing business secrets of former employers for 3 years after the employment ends has been removed and the current status of statutory protection for business secrets remains uncertain.</p> <p>The best option for employers is to have robust and enforceable contractual obligations of confidentiality in the employment contract or a separate NDA.</p>   | <p>For employees with access to company business secrets, employers should make sure you have covered the business risk with binding contractual confidentiality obligations during and for a fixed period after employment end.</p>                           |
| <p><b>Record Keeping</b></p> <p>Changes to the rules on the keeping of employee records.</p>   | <p>From January 1<sup>st</sup>, 2019 employee personal files can be kept in paper or electronic form.</p> <p>Record retention periods will change:</p> <ul style="list-style-type: none"> <li>➤ For employees hired from 2019 : 10 years;</li> <li>➤ For employees hired between 1999 and 2018 : reduced from 50 to 10 years;</li> <li>➤ For employees hired before 1999 : remains 50 years.</li> </ul> <p>Employees will be entitled to a copy of the whole or part of their record.</p> <p>On termination of an employment the employer must tell the employee: (1) of the retention period; (2) of their right to receive their records within 1 month of that period end and (3) the records' destruction within in one month of retention period end, if that right is not exercised.</p> <p>In addition, there will be detailed rules on the handling of employee personal files which will need to be understood and followed.</p> | <p>HR teams must become familiar with the new rules and develop and communicate to their employees the policies on record retention, reflecting the rules.</p>   |
| <p><b>Monitoring Employees</b></p> <p>Employee monitoring is now regulated.</p>  | <p>Employers may use CCTV to protect the safety of employees, to control business premises, to monitor productivity and to protect confidential information.</p> <p>Employees need to be informed of the manner of the monitoring, where it is taking place, its extent and its purpose.</p> <p>Unless needed for court proceedings, recordings should be deleted after 3 months.</p> <p>Email and other monitoring is permitted if needed to check full use of working time and proper use of work equipment, such as IT usage.</p>  | <p>Employers should check that their working policies reflect the regulations and that their monitoring processes are compliant. In particular, they should ensure proper communication with employees and deletion of unneeded recordings after 3 months.</p> |
| <p><b>Social Security Contribution cap</b></p>   | <p>The earnings cap on the calculation of social security contributions may be removed in 2019 so that payments will be based on full salary. This will increase employer costs.</p>  | <p>Watch out for announcements of an implementation date and be ready to action the change.</p>  |

**This is a high level general update only. Legal advice should be obtained on specific circumstances.**