

1. INTRODUCTION

- 1.1. Maintaining business records in a systematic and reliable manner is essential to comply with our legal and regulatory requirements, e.g. relating to data protection, tax and employment. It also reduces the costs and risks associated with retaining unnecessary information.
- 1.2. This data retention policy has been developed to help staff properly manage the records of the company. It sets out:
 - 1.2.1. what records are;
 - 1.2.2. how records should be classified and stored;
 - 1.2.3. how long different classes of record should be retained and;
 - 1.2.4. how records should be disposed of.

2. RESPONSIBILITY AND APPLICATION

- 2.1. This policy applies to all staff, which for these purposes includes employees, temporary and agency workers, other contractors, interns and volunteers. All staff must be familiar with this policy and comply with its terms.
- 2.2. This policy does not form part of any employee's contract of employment and Pektron Group Ltd may supplement or amend this policy with additional policies and guidelines from time to time. Any new or modified policy will be circulated to staff before being adopted.

3. WHAT ARE RECORDS?

- 3.1. 'For the purposes of this policy, records are documents, communications and other materials that are written, recorded or otherwise machine readable. Records can exist in different formats including electronic, paper, book, facsimile, film, videotape, audiotape, and other formats available through existing and emerging technologies.
- 3.2. Voicemail, text or instant messages do not constitute records, except those that have been recorded and retained for business or regulatory purposes, e.g. texts relating to HR issues.
- 3.3. There are two types of records: business records and short-term records.

3.4. Business Records

3.4.1. Business records are records created or received in the course of Pektron Group Ltd business that:

- document a business-related event or activity
- demonstrate a business transaction
- identify individuals who participated in a business activity
- support a business-related event, activity, or transaction, or
- are needed for other legal, business, or compliance reasons

3.4.2. Business records must be properly classified, stored, retained and disposed of in accordance with this policy.

3.5. Short-Term Records

3.5.1. Short-term records are those with no enduring business or operational value, and which are not considered to be business records. These include:

- General company-wide, division-wide or departmental announcements, notices or updates
- unsolicited vendor bids and/or offers
- unsolicited CVs or resumes
- routine and general correspondence having only an immediate or short-term value, and
- personal files, emails or other documents.

3.5.2. As a general rule, short-term records should be retained for no longer than 30 days. While they may be captured by routine backup processes, they should not be specifically stored at an off-site storage facility. On occasion, it may be necessary to retain short-term records for longer than 30 days, (e.g. *confirmation of a team Christmas lunch booked several months in advance*). However, once the record is no longer needed, it should be destroyed promptly.

3.5.3. Short-term records, including any personal files, emails or other documents on company premises or systems, may become business records if they are relevant to a legal or business matter of Pektron Group Ltd.

4. CREATION OF RECORDS

- 4.1. The individual or department that authored, created or is the primary custodian of a record is responsible for ensuring it is retained and destroyed in accordance with this policy.

- 4.2. All records and other communications pertaining to Pektron Group Ltd's business are to be appropriately and accurately worded. You must act responsibly, lawfully and professionally when creating records regarding our business activities and/or on our systems.
- 4.3. Pektron Group Ltd prohibits staff from creating records that are misleading, intentionally false, fraudulent, sexually explicit, abusive, offensive, harassing, discriminatory, profane, libelous, defamatory, unethical, or that violate any laws, regulations or internal policies.

5. CLASSIFICATION AND MARK-UP OF BUSINESS RECORDS

- 5.1. Some business records require greater levels of protection than others. Business records must be appropriately classified and marked to ensure a level of protection commensurate with their confidentiality, sensitivity or importance to the company.

5.2. Classification of Business Records

Business records are classified as:

- 5.2.1. restricted, and/or
- 5.2.2. confidential, or
- 5.2.3. general, or
- 5.2.4. public.

It is not possible to list every possible type of record and say how it should be classified. Instead, you should consider the following questions and exercise your judgement. Does the record include personal data?	See our GDPR Data protection policy for a definition, but as a general guide this is data which identifies or can be used to identify an individual (the 'data subject'). Records that contain personal data must be classified as restricted and confidential.
What is the commercial or competitive value of this information?	Information that would be valuable to our competitors such as trade secrets, strategic plans, pricing information, or merger and acquisition activity must be classified as confidential.
What is the potential impact if the record is inadvertently disclosed, corrupted, lost or destroyed?	Classify records as either restricted or confidential if inadvertent disclosure or loss etc would have an adverse impact on: —an individual —our reputation, competitive position, revenue or share value or —any of our customers, agents, suppliers or other partners
Is the record in the public domain?	Provided the record is in the public domain for legitimate reasons, e.g. not as a result of breach of confidence, the record should be classified as public.
See Appendix I for examples of how different records may be classified. If in doubt, consult your manager.	

5.3. Mark-up of business records

Records classified as restricted or confidential must be marked as 'Restricted' and/or 'Confidential' in one or more of the following ways:

- 5.3.1. in the document header or footer
- 5.3.2. in the subject line of an email and/or the top or bottom of the body of the message
- 5.3.3. by way of a watermark in the Word, Adobe, PDF etc version of the document
- 5.3.4. by way of a stamp on the hard copy
- 5.4. In certain circumstances it may be necessary to expand on the mark-up, e.g.:
 - 5.4.1. 'Restricted: do not forward, print or copy'
 - 5.4.2. 'Restricted: encryption required'
 - 5.4.3. 'Restricted: legal professional privilege'
- 5.5. The mark-up should be displayed on the front page and each subsequent page of the record.

6. RETENTION OF BUSINESS RECORDS

- 6.1. Business records must be retained as long as required by relevant laws and regulations and in accordance with Pektron Group Ltd's business needs.
- 6.2. **Retention Periods:**
 - 6.2.1. Our record retention schedule at Appendix 2 sets out how long records will normally be held and when the record will be destroyed. We periodically review and update the schedule with additional record types.
 - 6.2.2. Business records should not be disposed of or destroyed before the relevant retention period expires.

6.2.3. Business records should not, however, be kept longer than the relevant retention period unless the retention period for that particular record has been suspended, as described at section 10 below.

6.2.4. Where more than one retention period applies to a record, it should be retained in accordance with the longest retention period, unless otherwise directed.

6.2.5. The following are not subject to the record retention schedule:

- IT system backups—these are designed for operational restoration purposes and are not to be used for the retention of business records
- emails of former employees that do not constitute business records—these may be retained for transitional or other business purposes, but are to be disposed of within 1 year of the date of employee's termination, except as may be required under a litigation hold (*see section 10.2*).

6.3. Retention: Drafts & Duplicates

6.3.1. Draft or duplicate copies of business records should be retained only while they are needed for valid business reasons and never longer than the applicable retention period in the record retention schedule. For more guidance, see our Version control and document management policy.

6.3.2. You should not send draft or duplicate records to an off-site storage facility without the prior approval of your manager.

6.4. Retention: Format

6.4.1. Most business records can be retained exclusively in electronic form and hard copies do not usually need to be retained.

6.4.2. Contracts and other legally binding records can be retained exclusively in electronic form, so long as the electronic record:

- accurately reflects the original, and
- is in a form that is capable of being retained and accurately reproduced for later reference throughout the required retention period

6.4.3. You should check with your manager before retaining contracts or other binding records solely in electronic form.

7. STORAGE OF RECORDS

7.1. Business records must be stored on Pektron Group Ltd premises or at a secure location or website approved by Pektron Group Ltd to provide physical or electronic storage facilities. See Appendix 1 for guidance on the level of security required for different classes of records.

7.2. The following records should not be retained at an off-site storage facility:

- 7.2.1. short-term or other non-business records
- 7.2.2. paper duplicates or convenience copies, or
- 7.2.3. authoritative records (electronic or otherwise) where no duplicates exist.

7.3. When archiving paper records at an approved storage facility, you must clearly label storage boxes with information from which the following can be identified:

- 7.3.1. *record type*
- 7.3.2. *department*
- 7.3.3. *designated destruction date*

8. REMOVAL OF BUSINESS RECORDS

8.1. You may remove business records from Pektron Group Ltd's premises only for legitimate business purposes; you must return those records when no longer needed off-site for business purposes.

9. DESTRUCTION OF BUSINESS RECORDS

9.1. Business records must be destroyed at the end of the relevant retention period, unless the retention period has been suspended under section 10.

9.2. See Appendix 1 for guidance on the method of destruction required for different classes of business record.

9.3. As a general rule, short-term records should be retained for no longer than 30 days. While they may be captured by routine backup processes, they should not be specifically stored at an off-site storage facility. On occasion, it may be necessary to retain short-term records for longer than 30 days (e.g. *confirmation of a team Christmas lunch booked several months in advance*). However, once the record is no longer needed, it should be destroyed promptly.

9.4. Periodically, you should determine whether you have records in your control that should be discarded or destroyed pursuant to this policy.

- 9.5. If you have questions or concerns about retaining any records beyond the scheduled retention periods, you should contact your manager before disposing of the records in question.

10. SUSPENDING THE DESTRUCTION DATE

- 10.1. If a claim, audit, investigation, subpoena or litigation has been asserted or filed by or against Pektron Group Ltd, or is reasonably foreseeable, we have an obligation to retain:
- 10.1.1. all relevant records, including those that otherwise would be scheduled for destruction under the records retention schedule, and
 - 10.1.2. records that otherwise could have been disposed of as short-term records
- 10.2. On learning of an actual or reasonably anticipated legal action, relevant staff will be required to suspend disposal and destruction of applicable records. This is known as 'litigation hold'.
- 10.3. If you become aware of an actual or anticipated claim, audit, investigation, subpoena or litigation, you must immediately report the matter to your manager and discontinue any scheduled disposal pending confirmation of whether litigation hold is required.
- 10.4. You must carefully and diligently comply with any litigation hold notices. In particular, you must not alter, dispose of, discard or destroy any records that are subject to litigation hold. You must also continue to retain any and all such records until the company issues a notice indicating that the litigation hold has been lifted and that the retention and disposal of such records should resume.

11. FAILURE TO COMPLY

- 11.1. Pektron Group Ltd takes compliance with this policy very seriously. Failure to comply puts both staff and the company at risk. The importance of this policy means that failure to comply with any requirement may lead to disciplinary action, which may result in dismissal.
- 11.2. Staff with any questions or concerns about anything in this policy should not hesitate to contact their manager.

12. MONITORING AND REVIEW

- 12.1. **The company will monitor compliance with this policy regularly to make sure it is being adhered to.**

APPENDIX 1 – CLASSIFICATION, MARK-UP AND STORAGE EXAMPLES

Record classification	Examples	How should the record be marked-up?	Security and destruction
Restricted	Personal and sensitive personal data, e.g. HR records. Records containing client information that is regulated by law, e.g. credit card details. Records where disclosure will be high impact for the business of the data subject if disclosed.	‘Restricted’ or, as required: ‘Restricted: do not forward, print or copy’ ‘Restricted: encryption required’ ‘Restricted: legal professional privilege’ ‘Restricted: without prejudice’ ‘Restricted: do not forward, print, or copy’ ‘Restricted: named recipients only’ NB: Records that contain personal data must be classified as ‘Restricted and confidential’.	Storage Secure in locked file cabinet, desk drawer or office. Do not leave unattended on monitor or desk when not in active use. Destruction Paper records - Shredding / Electronic records - deletion
Confidential	Trade secrets and records containing non-public and/or proprietary company information. Personal information that is not otherwise classified as restricted, ie does not constitute personal data, eg anonymised client lists. Records where disclosure will have a moderate impact for the business of data subject if disclosed.	‘Confidential’ or, as required: ‘Confidential: do not forward, print or copy’ ‘Confidential: encryption required’ ‘Confidential: legal professional privilege’ ‘Confidential: without prejudice’ ‘Confidential: do not forward, print, or copy’ ‘Confidential: named recipients only’	Storage Secure in locked file cabinet, desk drawer or office. Do not leave unattended on monitor or desk when not in active use. Destruction Paper records - Shredding / Electronic records - deletion
General Business Records	Records containing non-confidential business information, eg —product information —business processes —marketing materials —routine correspondence	No specific requirements but, as required, you should consider: ‘Internal use only’ ‘Do not transfer outside the company’	Storage No specific requirements. Destruction Paper records - Shredding / Electronic records - deletion
Public	Records containing publicly available information. —press release —published accounts/financial results —public website pages —annual report Low Business Impact if disclosed.	No specific requirements	Storage No specific requirements. Destruction Paper records - Shredding / Electronic records - deletion

APPENDIX 2 – RECORDS RETENTION SCHEDULE

Introduction

This Record retention schedule accompanies and is incorporated into our Record management policy. It sets out the time periods that different types of Business Records (as defined in the Record management policy) must be retained for business and legal purposes. This is a lengthy document listing the many types of records used by Pektron and the applicable retention periods for each record type. You need not read the entire document, but rather should focus on the types of records relevant to your role.

The retention periods are based on business needs and legal requirements. If you maintain any types of records that are not listed in this schedule, and it is not clear from the existing record types in this Schedule what retention period should apply, please contact your manager for guidance.

Any deviations from the retention periods in this Schedule must be approved in advance by a Director

1. Company Records

Record	Recommended retention period	Storage format	Reference
Certificate of incorporation	Indefinitely	Paper/electronic	Companies Act 2006, s 15 (CA 2006)
New certificate of incorporation to reflect change of company name	Indefinitely	Paper/electronic	CA 2006, s 80
Memorandum & articles of association (signed original)	Indefinitely	Paper/electronic	CA 2006, ss 8 and 18
Trading certificate	Indefinitely	Paper/electronic	CA 2006, s 761
Accounting records	3 years from the date on which the record was made (private companies) 6 years from the date on which the record was made (public companies)	Paper/electronic	CA 2006, ss 386 and 388
Records of all proceedings at directors' meetings, including: —board minutes —minute books —written resolutions of the board —register of sealed documents	10 years from the date of the meeting	Paper/electronic	CA 2006, s 248
Minutes of all proceedings of general meetings	10 years from the date of the meeting	Paper/electronic	CA 2006, s 355
Copies of all members' resolutions passed outside general meetings	10 years from the date of the resolution	Paper/electronic	CA 2006, s 355
All decisions made by a sole member	10 years from the date of the decision	Paper/electronic	CA 2006, ss 355 and 357
Reports and accounts required by HMRC	6 years	Paper/electronic	Value Added Tax Act 1994 (VATA 1994), Sch 11 s 6(3)
Register of directors and their residential addresses	Indefinitely for the register itself	Paper/electronic	CA 2006, s 162
Directors' service contracts and any variations	Six years from termination or expiry of the contract, unless executed as a deed, in which case 12 years from termination or expiry	Paper/electronic	Limitation Act 1980 ss 5, 8 CA 2006, ss 227 and 228
Register of secretaries	Indefinitely for the register itself	Paper/electronic	CA 2006, s 275

Uncontrolled if printed

Record	Recommended retention period	Storage format	Reference
Register of disclosed interests	Indefinitely for the register itself An old entry may be removed from the register if more than six years have elapsed since the entry was made A third party may apply for an entry relating to them to be removed from the register, if it is incorrect	Paper/electronic	CA 2006, ss 793, 808, 816 and 817
Register of members	Indefinitely for the register itself Former members may be removed from the register after 10 years from the date their membership ceases	Paper/electronic	CA 2006, ss 113 and 121
Contracts for the purchase by a company of its own shares, or if the contract is not in writing, a written memorandum setting out its terms	10 years from: —the date on which the purchase of all the shares in pursuance of the contract is completed, or —the date on which the contract otherwise determines	Paper	CA 2006, s 702
Register of debenture or loan stock holders	Indefinitely for the register itself There is a 10 year limit on claims arising from the making or deletion or a failure to make or delete any entry in the register	Paper/electronic	CA 2006, s 748
Results of a poll required to be made available on a website	2 years after publication on the website	Paper/electronic	CA 2006, ss 341 and 353
Report of an independent poll assessor required to be made available on a website	2 years after publication on the website	Paper/electronic	CA 2006, s 351 and 353

2. Employment records

2.1. Personnel records

Record	Recommended retention period	Storage format	Reference
Rejected job applicant records, including: —application letters/forms —CVs —references —certificates of good conduct —interview notes —assessment and psychological test results	3 (three) months after the end of the relevant recruitment process. If you agree to allow us to keep your personal data on file, we will hold your data on file for a further 6 (six) months for consideration for future employment opportunities.	Paper/electronic	ICO Employment Practices Code para 1.7 Equality Act 2010, s 123

Record	Recommended retention period	Storage format	Reference
Application records of successful candidates, including: —employment application forms of successful applicants —copies of academic and other training received —references —correspondence concerning employment —CVs —interview notes and evaluation forms —assessment and psychological test papers and results	40 years after employment ceases	Paper/electronic	Limitation Act 1980 (LA 1980), s 5
Employment contracts, including: —personnel and training records —written particulars of employment —changes to terms and conditions	40 years after employment ceases	Paper/electronic	LA 1980, s 5
Copies of identification documents (eg passports)	40 years after employment ceases	Paper/electronic	LA 1980, s 5
Identification documents of foreign nationals (including right to work)	40 years from the date of termination of employment	Paper/electronic	Immigration Restrictions on Employment) Order SI 2007/3290, Art 6(1)(b)
Records concerning a temporary worker	40 years after employment ceases	Paper/electronic	LA 1980, s 5
Employee performance records, including: —probation reviews —review meeting and assessment interviews —appraisals and evaluations —promotions and demotions	40 years after employment ceases	Paper/electronic	LA 1980, s 5
Records relating to and/or showing compliance with Working Time Regulations 1998 including: —registration of work and rest periods —working time opt-out forms	40 years from the date on which the record was made	Paper/electronic	Working Time Regulations 1998, SI 1998/1833, reg 9
Redundancy records	40 years from date of redundancy	Paper/electronic	LA 1980, s 5
Annual leave records	40 years after the end of each tax year	Paper/electronic	LA 1980, s 5
Parental leave records	40 years after the end of each tax year	Paper/electronic	LA 1980, s 5
Sickness records	40 years after the end of each tax year	Paper/electronic	LA 1980, s 5
Records of return to work meetings following sickness, maternity etc	40 years the end of each tax year	Paper/electronic	LA 1980, s 5

2.2. Payroll and salary records

Record	Recommended retention period	Storage format	Reference
Records for the purposes of tax returns including wage/salary records, records of overtime, bonuses and expenses	6 years	Paper/electronic	Taxes Management Act, 1970 s 12B Finance Act 1998, Schedule 18, para 21

Record	Recommended retention period	Storage format	Reference
PAYE records, including: —wage sheets —deductions working sheets —calculations of the PAYE income of employees and relevant payments	6 years	Paper/electronic	Income Tax (Pay As You Earn) Regulations 2003, SI 2003/2682, reg 97
Income tax and NI returns, income tax records and correspondence with HMRC	6 years for documents kept within Sage payroll. 3 years for paper records	Paper/electronic	Income Tax (Employments) Regulations 1993, SI 1993/744, reg 55
Records demonstrating compliance with national minimum wage requirements	6 years beginning with the day upon which the pay reference period immediately following that to which they relate ends	Paper/electronic	National Minimum Wage Regulations 2015, SI 2015/621, reg 59
Details of benefits in kind, income tax records (P45, P60, P58, P48 etc), annual return of taxable pay and tax paid	4 years	Paper/electronic	Taxes Management Act 1970
Employee income tax and national insurance returns and associated HMRC correspondence	6 years from end of tax year to which they relate	Paper/electronic	Income Tax (Pay as You Earn) Regulations 2003, SI 2003/2682, reg 97
Statutory sick pay (SSP) records	Sage payroll 6 years, paper copies 3 years	Paper/electronic	The requirement to maintain SSP records for three years after the end of the tax year to which they relate was revoked in 2014, but an employer may still be required by HMRC to produce such records as are in his possession or power which contain, or may contain, information relevant to satisfy HMRC that statutory sick pay has been and is being paid. The Statutory Sick Pay (General) Regulations 1982, SI 1982/894, reg 13(A)
Wage/salary records (including overtime, bonuses and expenses)	6 years	Paper/electronic	Taxes Management Act 1970, s 43
Records relating to hours worked and payments made to workers	40 years	Paper/electronic	National Minimum Wage Act 1998, s 9 The National Minimum Wage Regulations 1999, SI 1999/584, reg 38
Statutory maternity pay records, calculations, certificates or other medical evidence	40 years	Paper/electronic	Statutory Maternity Pay (General) Regulations 1986, SI 1986/1960, reg 26

3. Health and safety records

Record	Recommended retention period	Storage format	Reference
Records of reportable injuries, diseases or dangerous occurrences —reportable incidents —reportable diagnoses —injury arising out of accident at work (including [insert organisation's name]'s	40 years from date of the entry	Paper/electronic	The Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 (RIDDOR 2013), SI 2013/1471, reg 12

Record	Recommended retention period	Storage format	Reference
accident book)			
Lists/register of employees who have been exposed to asbestos dust, including health records of each employee	40 years from the date of the last entry made in the record	Paper/electronic	Control of Asbestos Regulations 2012, SI 2012/632, reg 22(1)
Medical records and details of biological tests under the Control of Lead at Work Regulations	40 years from the date of the last entry made in the record	Paper/electronic	The Control of Lead at Work Regulations 2002 (CLAW 2002), SI 2002/2676, reg 10
Medical records as specified by the Control of Substances Hazardous to Health Regulations (COSHH)	40 years from the date of the last entry made in the record	Paper/electronic	The Control of Substances Hazardous to Health Regulations 2002 (COSHH 2002), SI 2002/2677, reg 11
Records of monitoring of exposures to hazardous substances (where exposure monitoring is required under COSHH)	40 years from the date on which the record was made	Paper/electronic	COSHH 2002, SI 2002/2677, reg 10(5)
Records of tests and examinations of control systems and protective equipment under COSHH	40 years from the date on which the record was made	Paper/electronic	COSHH 2002, SI 2002/2677, reg 9