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## Doing business in Greece A comparative guide

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# A guide to doing business in Greece

Deloitte Legal compiled this guide for Legal 500, providing an overview of the laws and regulations on doing business in a variety of jurisdictions. The following country chapter contains the relevant information on the systems of law, the legal forms through which people carry out business, capital requirements, how entities are operated and managed, expansion possibilities, corporate governance, employment law and more.



No.	Question
<h2>A. Legal system and landscape</h2>	
1	<p data-bbox="212 398 1077 425"><b>Is the system of law in your jurisdiction based on civil law, common law or something else?</b></p> <p data-bbox="212 432 702 459">The legal system of Greece is a civil law legal system.</p> <p data-bbox="212 465 542 492">The main sources of Greek law are:</p> <ul data-bbox="263 499 1181 577" style="list-style-type: none"> <li data-bbox="263 499 1053 526">• Enacted laws (either in the form of codes, statutes, acts or presidential decrees);</li> <li data-bbox="263 526 821 553">• European Union (EU) law (primary and secondary); and</li> <li data-bbox="263 553 1181 577">• International law (either international conventions or agreements), superseding national laws.</li> </ul> <p data-bbox="212 611 438 638">Custom is of limited use.</p> <p data-bbox="212 645 1428 728">Unlike common law systems, judicial jurisprudence does not qualify as a source of law, although Greek courts, in general, adhere to established case law and especially to the judgments of the Supreme Civil and Criminal Court (<i>Areios Pagos</i>) as well as those of the Supreme Administrative Court (<i>Council of the State</i>).</p>
<h2>B. Entity establishment</h2>	
2	<p data-bbox="212 828 1284 855"><b>What are the different types of vehicles/legal forms through which people carry on business in your jurisdiction?</b></p> <p data-bbox="212 862 742 889">The legal forms for carrying out a business in Greece are:</p> <p data-bbox="263 896 502 922"><b>(i) Personal companies:</b></p> <ul data-bbox="311 929 1476 1093" style="list-style-type: none"> <li data-bbox="311 929 1476 1008">• <b>General partnership (<i>Omorithmi Etairia</i>):</b> an association of two or more (natural or legal) persons, who are jointly and severally liable against third parties for the partnership's obligations. Such liability is considered as personal, direct, and unlimited. The legal framework regulating general partnerships in Greece is Law 4072/2012, as in force.</li> <li data-bbox="311 1008 1476 1093">• <b>Limited partnership (<i>Eterorythmi Etairia</i>):</b> is similar in all respects to the general partnership, except that at least one of the partners (limited partner) must have limited liability, while another one of the partners (general partner) must have unlimited liability. The legal framework regulating limited partnerships in Greece is Law 4072/2012, as in force.</li> </ul> <p data-bbox="263 1126 486 1153"><b>(ii) Capital companies:</b></p> <ul data-bbox="311 1160 1492 1512" style="list-style-type: none"> <li data-bbox="311 1160 1492 1265">• <b>Limited liability company (<i>Etairia Periorismenis Euthinis</i>):</b> is a common form of business incorporation for small and medium-sized enterprises in Greece. Such a company has legal personality and is responsible to third parties for its debts using its assets. The partners of such company are personally liable up to the amount of their contributed capital. The legal framework regulating limited liability companies in Greece is Law 3190/1955, as in force.</li> <li data-bbox="311 1265 1492 1400">• <b>Private company (<i>Idiotiki Kefalaiochiki Etairia</i>):</b> is the most popular form of business incorporation for small and medium-sized enterprises in Greece. Such a company has legal personality and is responsible to third parties for its debts using its assets. The personal liability of its members, except for those with guaranteed contribution, is limited up to the amount of their contributed capital. The legal framework regulating private companies in Greece is Law 4072/2012, as in force.</li> <li data-bbox="311 1400 1492 1512">• <b>Société anonyme (<i>Anonymi Etairia</i>):</b> is extensively used as the most common legal type in Greece. Such a company has legal personality and is responsible to third parties for its debts using its assets. Shareholders' liability is limited to the amount of their contributed capital. The legal framework regulating sociétés anonymes in Greece is Law 4548/2018, as in force.</li> </ul> <p data-bbox="263 1545 550 1572"><b>(iii) Other business structures</b></p> <ul data-bbox="311 1579 1492 1960" style="list-style-type: none"> <li data-bbox="311 1579 1492 1713">• <b>Joint venture (<i>Koinopraxia</i>):</b> does not have a legal personality and is formed in commercial practice for the purpose of coordinating the cooperation of individuals or legal entities in pursuing and carrying out a specific project. When registered with the General Commercial Registry (<i>Γ.Ε.ΜΗ</i>) or appears outwards, it is considered as a union of persons and acquires legal capacity and bankruptcy ability. The legal framework regulating joint ventures in Greece is Law 4072/2012, as in force.</li> <li data-bbox="311 1713 1492 1870">• <b>Office/company of Law 89 (as revised by Law 3427/2005) (<i>Grafio/Etairia tou Nomou 89</i>):</b> is established by foreign companies with the purpose of providing to their head offices or to their foreign affiliates exclusive services, namely consulting services, centralized accounting support, quality control of production, procedures and services, preparation of studies, designs and contracts, advertising and marketing services, data processing, receipt and supply of information, and research and development services to their head offices or to their affiliates that are not established in Greece, via bank remittances.</li> <li data-bbox="311 1870 1492 1960">• <b>Branch office (<i>Ypokatastima</i>):</b> does not have an independent or separate legal entity from its parent company. The branch office is managed by the legal representative that is appointed by the foreign company. The legal representative represents and acts in the name of the foreign company in Greece.</li> </ul>
3	<p data-bbox="212 1966 1428 1993"><b>Can non-domestic entities carry on business directly in your jurisdiction, i.e., without having to incorporate or register an entity?</b></p> <p data-bbox="212 2000 1476 2072">A foreign company may, in principle, carry on business in Greece directly. However, in case such a company has some degree of physical presence in the Greek territory, registration requirements may be triggered.</p>

4	<p><b>Are there any capital requirements to consider when establishing different entity types?</b></p>
	<p>There are no minimum capital requirements for the establishment of the entity types described under section B.2. above, except for the entity type of société anonyme, in which a minimum initial capital of €25,000 is statutorily required for the set-up of such an entity.</p>
5	<p><b>How are the different types of vehicles established in your jurisdiction? And which is the most common entity/branch for investors to utilize?</b></p>
	<p><b>Establishment</b></p> <p><b>(i) Personal companies:</b></p> <ul style="list-style-type: none"> <li>• <b>General partnership (<i>Omorithmi Etairia</i>):</b> is established either: <ul style="list-style-type: none"> <li>a) Electronically through the General Commercial Registry's One-Stop Shop Service (<i>Ypiresia mias Stasis</i>), by means of a private document containing the standard Model Articles of Association; or</li> <li>b) Before the Notary Public, by means of a notarial deed containing the general partnership's Articles of Association. There is no requirement for a notarial deed, unless there is a special provision of the law in case of a capital contribution in kind (i.e., real estate assets). General partnership must be registered with the General Commercial Registry (<i>Γ.Ε.ΜΗ.</i>) in order to acquire legal personality and the tax authorities.</li> </ul> </li> <li>• <b>Limited partnership (<i>Eterorythmi Etairia</i>):</b> is established either: <ul style="list-style-type: none"> <li>a) Electronically through the General Commercial Registry's One-Stop Shop Service (<i>Ypiresia mias Stasis</i>), by means of a private document containing the standard Model Articles of Association; or</li> <li>b) Before the Notary Public, by means of a notarial deed containing the limited partnership's Articles of Association. Limited partnership must be registered with the General Commercial Registry (<i>Γ.Ε.ΜΗ.</i>) in order to acquire legal personality and the tax authorities.</li> </ul> </li> </ul> <p><b>(ii) Capital companies:</b></p> <ul style="list-style-type: none"> <li>• <b>Limited liability company (<i>Etairia Periorismenis Euthinis</i>):</b> is established either: <ul style="list-style-type: none"> <li>a) Electronically through the General Commercial Registry's One-Stop Shop Service (<i>Ypiresia mias Stasis</i>), by means of a private document containing the standard Model Articles of Association; or</li> <li>b) Before the Notary Public, by means of a notarial deed containing the limited partnership's Articles of Association. Limited liability company must be registered with the General Commercial Registry (<i>Γ.Ε.ΜΗ.</i>) in order to acquire legal personality and the tax authorities.</li> </ul> </li> <li>• <b>Private company (<i>Idiotiki Kefalaouchiki Etairia</i>):</b> is established electronically through the General Commercial Registry's One-Stop Shop Service (<i>Ypiresia mias Stasis</i>), by means of a private document containing the standard Model Articles of Association (with or without additional content). There is no requirement for a notarial deed unless there is a special provision of the law in case of a capital contribution in kind (i.e., real estate assets). Private company must be registered with the General Commercial Registry (<i>Γ.Ε.ΜΗ.</i>) in order to acquire legal personality and the tax authorities.</li> <li>• <b>Société anonyme (<i>Anonymi Etairia</i>):</b> is established either: <ul style="list-style-type: none"> <li>a) Electronically through the General Commercial Registry's One-Stop Shop Service (<i>Ypiresia mias Stasis</i>), by means of a private document containing the standard Model Articles of Association; or</li> <li>b) Before the Notary Public, by means of a notarial deed containing the limited partnership's Articles of Association. Société anonyme must be registered with the General Commercial Registry (<i>Γ.Ε.ΜΗ.</i>) in order to acquire legal personality and the tax authorities (i.e., tax registration of the founding shareholder(s) and the members of the statutory board of directors is required prior to the incorporation of the company).</li> </ul> </li> </ul> <p><b>(iii) Other business structures</b></p> <ul style="list-style-type: none"> <li>• <b>Joint venture (<i>Koinopraxia</i>):</b> If a joint venture performs a commercial activity, then it shall be formed by means of a private document registered with the General Commercial Registry (<i>Γ.Ε.ΜΗ.</i>).</li> <li>• <b>Office/company of Law 89</b> (as revised by Law 3427/2005) (<i>Grafio/Etairia tou Nomou 89</i>): is established by means of a special license granted by a decision of the Minister of Economy and Development published in the Government Gazette. Within twelve (12) months after the grant of such special license, these entities are obliged to engage at least four employees in Greece and to have annual operating costs in Greece of at least €100,000.</li> <li>• <b>Branch office (<i>Ypokatastima</i>):</b> is established through the submission of the required incorporation documents before the General Commercial Registry (<i>Γ.Ε.ΜΗ.</i>), in accordance with the provisions of Articles 98-99 of Law 4635/2019.</li> </ul>
	<p><b>Most commonly used legal entity</b></p> <p>The société anonyme is extensively used as the most common legal type in Greece, for the following reasons:</p> <ul style="list-style-type: none"> <li>• The amendment of its Articles of Association does not require the conclusion of a notarial deed – no notarial fees;</li> </ul>

	<ul style="list-style-type: none"> <li>• The transfer of its shares is affected through a private agreement and does not require the conclusion of a notarial deed - no notarial fees;</li> <li>• The names of the shareholders of the société anonyme (with exception of the founding shareholders) are not mentioned in its Articles of Association;</li> <li>• Its management is exercised by its board of directors, a flexible corporate governance body, which:             <ul style="list-style-type: none"> <li>a) Comprises at least three members (unless the company is formed by a single shareholder);</li> <li>b) Allows for clear-cut segregation of duties and delegation of powers amongst its members; and</li> <li>c) Can delegate a wide spectrum of representation and signatory powers to a single individual, whether a member of the board of directors or a third party, who is permitted under the law to represent and bind the company with his single signature.</li> </ul> </li> <li>• It allows for flexible financing (possibility of issuance of tax efficient bond loans).</li> </ul>
6	<p><b>How is the entity operated and managed, i.e., directors, officers or others? And how do they make decisions?</b></p> <p><b>Management of a société anonyme:</b> is carried out by the general meeting of shareholders and the board of directors.</p> <p><b>Decision-making process:</b></p> <ul style="list-style-type: none"> <li>• <b>The general meeting of shareholders:</b> <ul style="list-style-type: none"> <li>- Constitutes the supreme body of the société anonyme and is statutorily entitled to decide upon any corporate affair.</li> <li>- Has exclusive competence to decide upon the following issues:                 <ul style="list-style-type: none"> <li>a) Any amendments to the Articles of Association;</li> <li>b) The election of the members of the board of directors and the auditors of the company;</li> <li>c) The approval of the overall management of the corporate affairs by the board of directors (per fiscal year) and the discharge of the auditors;</li> <li>d) The approval of the annual and any consolidated financial statements;</li> <li>e) The annual profit distribution;</li> <li>f) The approval of the remuneration of the members of the board of directors; in case of listed companies, the approval of the remuneration policy and the remuneration report;</li> <li>g) The merger, demerger, conversion, revival, extension of duration and/or dissolution of the company; and</li> <li>h) The appointment of auditors.</li> </ul> </li> <li>- Is in quorum and validly meets to decide:                 <ul style="list-style-type: none"> <li>a) On simple matters, when shareholders representing at least one-fifth of the paid share capital are present or represented in the meeting. If such quorum is not achieved, the adjourned meeting is in quorum irrespective of the portion of the paid share capital being represented therein.</li> <li>b) On reserved matters (either being designated by means of law or the company's Articles of Association), when shareholders representing half of the paid share capital are present or represented in the meeting. If such quorum is not achieved, the adjourned meeting is in quorum when at least one-third of the paid share capital is present or represented therein (or in case of a listed company or a resolution for a share capital increase, the said meeting is in quorum when at least one-fifth of the paid share capital is present or represented therein).</li> </ul> <p><b>Note:</b> The Articles of Association may increase the above quorum thresholds for both simple and reserved matters, in accordance with the relevant provisions of Law 4548/2018.</p> </li> <li>- Resolves on simple matters by (i) absolute majority (50%+1) and (ii) on reserved matters, by two-thirds of the present or represented shareholders.</li> </ul> <p><b>Note:</b> The Articles of Association may provide for higher majority thresholds.</p> </li> <li>• <b>The board of directors:</b> <ul style="list-style-type: none"> <li>- Constitutes the management body of the société anonyme and is elected by the general meeting of shareholders;</li> <li>- Is competent to administer the day-to-day operation of the company and to perform the object of the company's activity, within the limits of the law and except for matters decided by the general meeting of shareholders;</li> <li>- Represents the company in judicial and extra-judicial procedures;</li> <li>- Is in quorum and validly meets when half of its members plus one are present or represented at the meeting. In any case, the number of present or represented directors shall not be less than three (except in the case of a single-member société anonyme);</li> <li>- Resolves by the absolute majority (50%+1) of the present or represented directors.</li> </ul> <p><b>Note:</b> The Articles of Association or any other specific provisions of L. 4548/2018 may provide for different majority thresholds.</p> </li> </ul>
7	<p><b>Are there general requirements or restrictions relating to the appointment of (a) authorized representatives/directors or (b) shareholders, such as a requirement for a certain number, or local residency or nationality?</b></p> <ul style="list-style-type: none"> <li>• <b>Directors:</b> <ul style="list-style-type: none"> <li>- The board of directors of the société anonyme shall, in principle, comprise at least three and not more than 15 directors.</li> <li>- Any shareholder or third party, whether individual (with full legal capacity) or legal entity, can be elected or appointed (as the case may be) as a director, who/which may always be re-elected and freely recalled.</li> </ul> <p><b>Note:</b> A legal entity elected/appointed as a director shall appoint an individual (with full legal capacity) to exercise its duties.</p> </li> <li>- All directors must obtain a Greek Tax Registration Number ("T.R.N.") prior to their appointment at the board of directors.</li> </ul>



	<p>There is no local residency or nationality requirement for the directors. As a matter of standard practice, the director(s) who is/are assigned with the main representation and signatory powers should be preferably located in Greece to enable and accommodate the day-to-day operation of the company.</p> <ul style="list-style-type: none"> <li>• <b>Authorised representatives:</b> <ul style="list-style-type: none"> <li>- The board of directors may delegate the powers of management and representation of the company to one or more third persons (non-members with full legal capacity), if so permitted, in accordance with the company's Articles of Association.</li> <li>- There is no local residency or nationality requirement for the authorized representative. As a matter of standard practice, such third person(s) who is/are assigned with certain representation and signatory powers should be preferably located in Greece to enable and accommodate the day-to-day operation of the company.</li> <li>- The authorized representatives must also have a Greek Tax Registration Number ("T.R.N.").</li> </ul> </li> <li>• <b>Shareholders:</b> <ul style="list-style-type: none"> <li>- No restrictions exist as to the number of parties (either natural persons or legal entities with full legal capacity) who/which may establish a société anonyme. It may also form as a single member company by having all its shares concentrated to one person only (i.e., a single-member société anonyme).</li> <li>- There are no local residency or nationality requirements for the founding shareholders, from a Greek company law perspective. <u>Note:</u> If the founding shareholders are nationals of a third country (non-EU member state) and reside in Greece or intend to reside in Greece, an appropriate residence permit or an application for a residence permit to the competent body is required.</li> <li>- The foreign shareholders (either natural persons or legal entities) shall obtain a Greek Tax Registration Number ("T.R.N.") and appoint a Greek Tax Representative prior to the company's incorporation.</li> </ul> </li> </ul>
8	<p><b>Apart from the creation of an entity or establishment, what other possibilities are there for expanding business operations in your jurisdiction? Can one work with trade/commercial agents, resellers and are there any specific rules to be observed?</b></p> <p>There are no restrictions in expanding business operations in Greece. One can work with trade/commercial agents and resellers. There are no specific rules to be observed, especially with respect to registrations, etc. Commercial agency is regulated by the provisions of Presidential Decree no. 219/1991. The provisions of such a Presidential Decree primarily pertain to statutory termination notice periods, clientele compensation, etc.</p>

## C. Entity operation

### C1. Governance

9	<p><b>Are there any corporate governance codes or equivalent for privately owned companies or groups of companies? If so, please provide a summary of the main provisions and how they apply.</b></p> <p>Privately owned companies are not subject to corporate governance codes or similar instruments. Such obligations apply only to listed companies.</p>
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### C2. Capital

10	<p><b>What are the options available when looking to provide the entity with working capital? i.e., capital injection, loans, etc.</b></p> <p>The main options when looking to provide the entity with working capital are the following:</p> <ul style="list-style-type: none"> <li>• <b>Share capital increase:</b> A société anonyme can increase its working capital through a share capital increase and the subsequent issuance of new shares, following the statutorily designated procedures of L. 4548/2018. The amount of share capital increase shall be covered either by the existing shareholders, who are statutorily granted a pre-emption right over the newly issued shares, or by any third party.</li> <li>• <b>Loans:</b> e.g., bank loans, third party loans and shareholders' loans.</li> </ul> <p>Bond loans are only available for sociétés anonymes.</p>
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### C3. Return of proceeds

11	<p><b>What are the processes for returning proceeds from entities? i.e., dividends, returns of capital, loans, etc.</b></p>
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In general terms, the entities can return proceeds to their shareholders/partners in the following ways:

- Dividends – distribution of profits; or
- Capital reduction.

With regards to the *société anonyme*, as the most common form for corporate establishment in Greece, the processes for returning proceeds are as follows:

- **Dividends**

In order for a company to be able to lawfully pay dividends, it must have sufficient distributable profits that are justified by reference to relevant accounts.

Pursuant to the relevant provisions of Law 4548/2018, at least one-twentieth of the company's net profits shall be set aside annually to form a statutory reserve. The deduction for the formation of a statutory reserve ceases to be compulsory as soon as such reserve reaches at least one-third of the share capital. Such legal reserve shall be exclusively used for offsetting any debit balance of the profit and loss account prior to each distribution of dividends.

The amount of minimum dividend shall be equal to 35% of the net profits, less the deductions of the statutory reserve and any other credit items of the profit and loss account not deriving from realized profits and is usually payable in cash but can also, based on specific conditions, be satisfied by the transfer of non-cash assets or by shares in the company itself. By virtue of a decision of the general meeting of shareholders passed by a special quorum (one-half) and majority (two-thirds), the aforementioned statutory dividend rate may be reduced, yet not below 10%.

The allocation of minimum dividends to the shareholders may be precluded by virtue of a decision of the general meeting of shareholders passed by the special quorum (one-half) and a special majority (four-fifths) of the share capital present or represented at the general meeting.

Any dividend paid out by the company will be either a final dividend (i.e., dividends paid once a year calculated after the annual accounts have been drawn up) or an interim dividend which will ultimately be approved/ratified by the annual general meeting of shareholders (dividends paid at any time throughout the year calculated before the company's annual earnings have been determined).

- **Capital reduction**

A reduction of capital occurs when a company reduces the amount of its share capital. This may be an option when the company has capital that is surplus to its requirements and it wishes to return to shareholders.

A reduction of capital is subject to a decision of the general meeting passed by special quorum and majority. Any such reduction may not cause the company's share capital to drop below the minimum statutory limit of €25,000.

In any case, no payment shall be made to the shareholders out of the company assets released due to the reduction if the creditors of the company whose claims arose prior to the publication of the decision on reduction with the General Commercial Registry (*Γ.Ε.ΜΗ*) and are due, submit their objections with respect to such payments to the company within a period of 40 days after the above publication and the said claims are not fully satisfied or settled with the company. Within the same deadline, if the creditors of non-overdue claims consider that the above payment jeopardize the satisfaction of their claims, they may submit objections to the company with respect to such payments.

## C4. Shareholder rights

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### Are specific voting requirements/percentages required for specific decisions?

There are two types of resolutions which may be put to a general meeting: an ordinary resolution and a special resolution.

#### Ordinary resolutions

- **Corporate actions that require an ordinary resolution:**

- a) Any amendments to the Articles of Association;
- b) The election of the members of the board of directors and the auditors of the company;
- c) The approval of the overall management of the corporate affairs by the board of directors (per fiscal year) and the discharge of the auditors;
- d) The approval of the annual and any consolidated financial statements;
- e) The annual profit distribution;
- f) The approval of the remuneration of the members of the board of directors;
- g) For listed companies, the approval of the remuneration policy and the remuneration report;
- h) The merger, demerger, conversion, revival, extension of duration and/or dissolution of the company;
- i) The appointment of liquidators;
- j) Any other matter, which does not require a special resolution.

- **Specific voting requirements/percentages required for ordinary resolutions:**

- **Simple quorum:** Shareholders representing at least one-fifth of the paid share capital shall be present or represented in the meeting. If such quorum is not achieved, the adjourned meeting is in quorum irrespective of the portion of the paid share capital being represented therein.

	<p><b>Note:</b> The simple quorum threshold may be increased by means of a relevant provision in the Articles of Association, but it shall not, in any way, exceed the two-thirds of the paid share capital.</p> <ul style="list-style-type: none"> <li>- <b>Absolute majority:</b> 50% + 1 of the present or represented shareholders.</li> </ul> <p><b>Note:</b> The Articles of Association may provide for higher majority thresholds.</p> <p><b>Special resolutions</b></p> <ul style="list-style-type: none"> <li>• <b>Corporate actions that require a special resolution:</b> <ol style="list-style-type: none"> <li>a) Change of the company's nationality;</li> <li>b) Change of the company's scope of business;</li> <li>c) Increase in shareholders' obligations;</li> <li>d) Regular increase of share capital, except where required by law or if effected through a capitalisation of reserves;</li> <li>e) Decrease of the share capital;</li> <li>f) Change in the appropriation of profits;</li> <li>g) Merger, demerger, conversion, revival, extension of the duration or dissolution of the company;</li> <li>h) Granting or renewal of the powers of the board of directors to decide on the extraordinary increase of the share capital;</li> <li>i) Any other matter for which the law or the Articles of Association require a special quorum and majority.</li> </ol> </li> <li>• <b>Specific voting requirements/percentages required for special resolutions:</b> <ul style="list-style-type: none"> <li>- <b>Special quorum:</b> Shareholders representing half of the paid share capital shall be present or represented in the meeting. If such quorum is not achieved, the adjourned meeting is in quorum when at least one-third of the paid share capital is present or represented therein (or in case of a listed company or a resolution for a share capital increase, the said meeting is in quorum when at least one-fifth of the paid share capital is present or represented therein.)</li> <li><b>Note:</b> The special quorum threshold may be increased by means of a relevant provision in the Articles of Association.</li> <li>- <b>Special majority:</b> Two-thirds of the present or represented shareholders.</li> <li><b>Note:</b> The Articles of Association may provide for higher majority thresholds.</li> </ul> </li> </ul>
<p>13</p>	<p><b>Are shareholders authorized to issue binding instructions to the management? Are these rules the same for all entities? What are the consequences and limitations?</b></p> <p><b>Non-listed companies</b></p> <p>As a matter of Greek Law, the company's management and shareholders have distinct rights and obligations with respect to corporate governance. In principle, and with respect to sociétés anonymes, the shareholders are entitled to elect or to appoint the members of the board of directors but there is no statutory or other institutional instrument on the basis of which shareholders will issue binding instructions to the management, at least with respect to day-to-day management of the company.</p> <p>However, the company's shareholders may adopt policies or other binding instruments which the board of directors of the company could be obliged to follow.</p> <p><b>Listed companies</b></p> <p>The above apply for listed companies as well. However, listed companies are obliged to adopt a series of policies and regulations which are binding to the members of the board of directors (e.g., corporate governance code, remuneration policy, etc.)</p> <p><b>Key shareholders' rights</b></p> <ul style="list-style-type: none"> <li>• <b>Rights of shareholder(s) holding at least one-twentieth of the share capital:</b> <ol style="list-style-type: none"> <li>a) Right to request a convocation of an extraordinary general meeting;</li> <li>b) Right to supplement the agenda items of the general meeting that has already been convoked;</li> <li>c) Right to submit draft decisions on any items included in the original or any revised agenda of the general meeting (applies only to listed société anonyme);</li> <li>d) Right to request for a postponement of the general meeting;</li> <li>e) Right to request for the decisions in the general meeting to be adopted by open vote;</li> <li>f) Right to request the disclosure to the ordinary general meeting of the amounts paid or financial benefits conferred to directors and/or executives during the last two years;</li> <li>g) Right to perform an extraordinary audit of the company, following an order by the competent court, if certain acts violate the provisions of the law or the company's Articles of Association or the general meeting's decisions;</li> <li>h) Right to ask for a convocation of a general meeting of the shareholders to decide upon any transaction with a related party if this transaction has been approved by virtue of a resolution of the board of directors;</li> <li>i) Right to request the company to file a lawsuit against any member of the board of directors to indemnify losses they caused to the company from their actions or omissions;</li> <li>j) Right to request, by filing a lawsuit before the competent court, the annulment of any decision of the general meeting which was adopted without previously making available to the shareholders the information requested about the matter that has been decided.</li> </ol> </li> <li>• <b>Rights of shareholder(s) holding at least one-third of the share capital:</b></li> </ul>



- Veto rights in major decisions of the general meeting concerning the following corporate affairs that require a special resolution.
- **Rights of shareholder(s) holding at least one-fifth of the share capital:**
  - Right to request an audit of the company before the competent court, if the overall course of the company's affairs implies and there is specific evidence indicating that the corporate affairs are not handled in accordance with the rules of prudent management.
- **Rights of shareholder(s) holding at least one-tenth of the share capital:**
  - Right to request the board of directors to disclose to the general meeting any information pertaining to the course of the corporate affairs and the company's financial status.
- **Rights of shareholders (irrespective of the shareholding percentage):**
  - a) Right to request the provision of specific information concerning the company's corporate affairs to the general meeting, to the extent that such information is not publicly available and is related to the agenda items of the general meeting;
  - b) Right to file a lawsuit for the recognition of the invalidity of a general meeting resolution;
  - c) Right to request the board of directors to provide any information pertaining to the value of the company's share capital at that time, the classes of shares and the number of shares per class, in particular the number of preferred shares, and the number of any blocked shares, including the type of restrictions applicable upon such shares (applies only to non-listed sociétés anonymes);
  - d) Right to request a list of the company's shareholders, indicating the full name, address and number of shares held by each shareholder;
  - e) Right to request by the filing of a civil lawsuit, the repurchase of their shares by the company or the majority shareholder holding a 95% stake, in accordance with the specific provisions of Law 4548/2018.

**Note:** The Articles of Association may modify the aforementioned percentage thresholds and/or provide for additional rights, within the framework of the relevant provisions of Law 4548/2018.

## C5. Employment

### 14 What are the core employment law protection rules in your country (e.g., discrimination, minimum wage, dismissal, etc.)?

Employees hired to work in Greece under a Greek contract will be covered by Greek employment law. We have set out below a summary of the core employment law rights and protections that employees benefit from. This is not an exhaustive list but covers the core areas.

Right/Protection	Details
<b>National minimum wage</b>	The statutory minimum salary amounts to €663 and the statutory daily wage amounts to €29.62.
<b>Holiday</b>	<b>For employees working on a five-day working system per week:</b> 20 working days, increased by one additional day for every employment year and up to 22 working days. <b>For employees working on a six-day working system per week:</b> 24 working days, increased by one additional day for every employment year and up to 26 working days.
<b>Working hours</b>	Employees may work eight hours per day and 40 hours per week (on a five-day basis) or six point forty (6.40) hours per day (on a six-day basis) and 40 hours per week. However, the aforementioned working hours may be extended by the employer as follows: <ul style="list-style-type: none"> <li>• <b>For employees on a five-day working system:</b> Nine hours per day and 45 hours per week. An employee working on a five-day working system may be occupied for five additional hours per week (overwork for the period from the 41st hour to the 45th hour).</li> <li>• <b>For employees on a six-day working system:</b> Eight hours per day and 48 hours per week. An employee working on six-day working system may be occupied for eight additional hours per week (overwork for the period from the 41st to 48th hour).</li> </ul>
<b>Rest periods</b>	Unless an exemption applies, employees are entitled to the following rest periods: <ul style="list-style-type: none"> <li>• 11 hours' uninterrupted rest per day;</li> <li>• 24 hours of continuous rest per week (in principle, including Sunday);</li> <li>• A rest break of 15 to 30 minutes after four consecutive hours of work.</li> </ul> Where exemptions apply, compensatory rest will usually have to be given.
<b>Pension rights</b>	For employees in private sector who are insured in the National Social Security Fund (ΕΦΚΑ), a 20% insurance contribution is paid for the main pension. The said amount is shared between the insured and the employer. The insured person pays a contribution of 6.67% and the employer pays a contribution of 13.33%.
<b>Discrimination</b>	Employees are protected against discrimination on the basis of the following protected characteristics: <ul style="list-style-type: none"> <li>• Age;</li> <li>• Disability;</li> </ul>

	<ul style="list-style-type: none"> <li>• Gender reassignment;</li> <li>• Social and family/marital status;</li> <li>• Pregnancy, maternity, and paternity;</li> <li>• Race;</li> <li>• Religion or belief;</li> <li>• Sex; and</li> <li>• Sexual orientation.</li> </ul>										
<b>Maternity leave/pay</b>	<p>Employees are entitled to 17 weeks of maternity leave out of which eight weeks are granted prior to the delivery date (gestation leave) and nine weeks (childbed leave) following that date.</p> <p>The employer is required to pay:</p> <ul style="list-style-type: none"> <li>• 50% of the monthly salary for employees who have not been occupied for at least a year; and</li> <li>• One full monthly salary for those who have completed at least a year of services.</li> </ul> <p>The mothers also receive benefits from the competent social security fund.</p>										
<b>Paternity leave</b>	Eligible employees are entitled to 14 days of paid paternity leave for each child born.										
<b>Shared parental leave</b>	Each working parent - provided that they have completed one year of employment in the same employer - is entitled to four months of parental leave either for a consecutive period or partially allocated until their child reaches the age of eight years old. For the first two months of parental leave, the Greek Manpower Employment Organization (OAEΔ) pays to each parent an allowance per month amounting to the statutory minimum salary as well as proportion of Christmas and Easter bonuses on the basis of the latter.										
<b>Statutory sick pay</b>	For the first three days of sickness, the employer must pay half of the employee's daily wage. From the fourth day of sickness onwards, the Greek Social Security Fund (ΕΦΚΑ) pays sickness benefits to the insured employees.										
<b>Statutory notice periods</b>	<p>An open-ended employment contract can be terminated with or without a prior notice period. In any case, the employer has the right to terminate the employment agreement upon prior notice paying the half of the statutory severance amount. The notice period set by the labor regulations are as follows:</p> <table border="1"> <thead> <tr> <th>Seniority</th> <th>Notice period</th> </tr> </thead> <tbody> <tr> <td>From 12 months to two years</td> <td>One month</td> </tr> <tr> <td>From two years (completed) to five years</td> <td>Two months</td> </tr> <tr> <td>From five years (completed) to 10 years</td> <td>Three months</td> </tr> <tr> <td>From 10 years (completed) and above</td> <td>Four months</td> </tr> </tbody> </table>	Seniority	Notice period	From 12 months to two years	One month	From two years (completed) to five years	Two months	From five years (completed) to 10 years	Three months	From 10 years (completed) and above	Four months
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<b>Unfair dismissal</b>	<p>For an open-ended employment contract, in principle, it is not necessary that the employer disclose the grounds of the termination. However, the latter may bear such obligation, in case of an eventual litigation regarding the dismissal's validity.</p> <p>Dismissals for certain reasons are deemed automatically unfair and, in most cases, employees do not need a qualifying period of employment. In particular, the following categories of employees enjoy a special statutory protection against dismissal:</p> <ul style="list-style-type: none"> <li>• Unions' founding members and current union officials;</li> <li>• Pregnant women;</li> <li>• Employees who have been conscripted into military service;</li> <li>• Disabled employees;</li> <li>• Employees on vacation leave period;</li> <li>• Fathers of new-born children, for a period up to six months after the birth of the children;</li> <li>• Employees who exercise their legal rights in cases of violence and harassment at work;</li> <li>• Employees who request or receive any leave or reject a settlement proposal for the organization of their working time; and</li> <li>• Employees who exercise their right to disconnect.</li> </ul> <p>If an employment tribunal finds that the dismissal is unfair, it can order the employer to re-engage or reinstate the employee or/and (as is more likely in practice) pay the employee compensation and/or due salaries.</p>										
<b>Statutory redundancy payment</b>	Employees who are made redundant and under certain conditions are entitled to a statutory redundancy payment, which is based on the latest monthly salary. The current average payment amounts to €400 approximately.										
<b>Statement of particulars</b>	The employer should notify in writing to the employee the basic terms of their employment (including, inter alia, the hiring date, place of employment, working hours, job title, salary, etc.) within two months from the starting date of the employment relationship. Failure to comply with this requirement may lead to the imposition of an administrative fine.										

15 **On what basis can an employee be dismissed in your country, what process must be followed and what are the associated costs? Does this differ for collective dismissals and if so, how?**

**Unfair dismissal**  
 For an open-ended employment contract, in principle, it is not necessary that the employer disclose the grounds of the termination. However, the latter may bear such obligation, in case of an eventual litigation regarding the dismissal's validity.

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16	<p><b>Does your jurisdiction have a system of employee representation/participation (e.g., works councils, co-determined supervisory boards, trade unions, etc.)? Are there entities which are exempt from the corresponding regulations?</b></p> <p>Under Greek employment law, there are trade unions and works councils.</p> <p>In particular:</p> <ol style="list-style-type: none"> <li>a) Trade unions can be established by a minimum number of 20 employees. The individuals shall submit a request for recognition to the competent court.</li> <li>b) Works councils are employees' representative bodies that can be formed in businesses that employ at least 50 employees, excluding maritime enterprises. More specifically, work councils: <ul style="list-style-type: none"> <li>• Are elected from the employees;</li> <li>• Consist of three to five members depending on the number of employees;</li> <li>• Their role is mainly advisory within the company;</li> <li>• They have information and consultation rights regarding employment matters, such as transfer of business, collective dismissals, etc.</li> </ul> </li> </ol>

## C6. Anti-corruption/bribery/money laundering/supply chain

17	<p><b>Is there a system governing anti-bribery or anti-corruption or similar? Does this system extend to non-domestic constellations, i.e., have extraterritorial reach?</b></p> <p>The main Greek anti-corruption legislation is included in the Greek Criminal Code (punishable acts of bribery and corruption).</p> <p>The main international anti-corruption conventions ratified by Greece are:</p> <ul style="list-style-type: none"> <li>• OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (as transposed by Law 2656/1998);</li> <li>• EU Convention against Corruption involving Officials of the European Communities of Officials of Member states of the European Union (as transposed by Law 2802/2000);</li> <li>• EU Convention on the Protection of the European Communities' Financial Interests (as transposed by Law 2803/2000);</li> <li>• UN Convention against Corruption (Corruption Convention) (as transposed by Law 3666/2008); and</li> <li>• Council of Europe Criminal Law Convention on Corruption and Additional Protocol (as transposed by Law 3560/2007).</li> </ul> <p>As a general rule, Greek law does not have extraterritorial effect. Enforcement and sanctions imposed by the Greek authorities are not effective in other jurisdictions unless they meet the requirements of mutual assistance in criminal matters and mutual recognition of judgments through bilateral and multilateral treaties.</p>
18	<p><b>What, if any, are the laws relating to economic crime? If such laws exist, is there an obligation to report economic crimes to the relevant authorities?</b></p> <ul style="list-style-type: none"> <li>• <b>Key Greek laws relating to economic crime:</b> <ul style="list-style-type: none"> <li>- <b>Market abuse:</b> All manners of market abuse and securities fraud are contained in Law 4443/2016 regulating the operation of capital markets, which corresponds to Directive 2014/57/EU of the European Parliament and the Council of 16 April 2014 on criminal sanctions for market abuse. These include: a) insider dealing and recommending or inducing another person to engage in insider dealing; b) unlawful disclosure of inside information, and; c) market manipulation through the dissemination of information which gives false or misleading signals as to the supply of, demand for, or price of a financial instrument, or a related spot commodity contract, or secures the price of one or several financial instruments or a related spot commodity contract at an abnormal or artificial level, where the perpetrators derive for themselves or for another person an advantage or profit from the dissemination of the information in question.</li> <li>- <b>Accounting fraud:</b> Article 386 of the Greek Criminal Code (“GCC”) and Law 4174/2013 (Tax Code and Tax Standards) provides for criminal penalties for false registrations in the accounting books or not registering transactions. Law 4548/2018 provides for criminal sanctions for the issuance of inaccurate or false balance sheets/financial statements, false or inaccurate declarations on the financial status of the company, etc.</li> <li>- <b>Insider trading:</b> Law 4443/2016 relating to stock exchange transactions provides for criminal penalties for the use of inside information for the purpose of gaining profit from transactions on specific market shares.</li> <li>- <b>Embezzlement:</b> Article 375 of the Greek Criminal Code (“GCC”) provides criminal penalties for anyone who unlawfully appropriates a movable thing belonging (in whole or in part) to a person which came into the possession by any means, including cases where the thing has been entrusted to the responsible person out of necessity or due to their capacity as authorized representative of the harmed person or as a sequestrator or manager of another person’s assets.</li> <li>- <b>Tax Crimes:</b> Law 4174/2013 regulates tax evasion and general tax violations legislation (especially Article 66-67). The main tax evasion offenses are: a) the omission of filing or filing of false income tax return or concealing income. By way of concealing net income, the law also covers cases of fictitious expenses or where fictitious expenses are invoked in the tax return, in order to hide the real net income; b) the non-remittance or incorrect remittance of VAT and other withholding taxes and duties; c) the issuance and receipt of false, fictitious or falsified tax records as well as the infringement of the rules of the Code of Books and Records; and d) the non-payment of debts owed to the State and third parties.</li> </ul> </li> <li>• <b>Obligation to report economic crimes to the relevant authorities:</b> <ul style="list-style-type: none"> <li>- <b>Public officials</b> who become aware, during the exercise of their duties, that a criminal act (of those prosecuted ex officio) has been committed, are under obligation to report it to the authorities. Failure to report is punishable as a criminal offence.</li> <li>- <b>Private individuals</b> are not under the same obligation, but rather, they are entitled to report a criminal act to the authorities. Although anti-bribery laws do not explicitly demand disclosure of violations, in the context of money-laundering regulations, compliance and internal audit control, there are obligations to expose and report irregularities related to financial records or suspicious transactions. In this respect, individuals who are obliged by law to contribute to transparency and corporate ethics may be faced with a dilemma when coming across a possible case of bribery. Leniency measures are meant to facilitate disclosure of violations or irregularities. They apply, in principle, to individuals who expose corrupt practices and relate to their status as defendants in criminal cases.</li> </ul> </li> </ul>
19	<p><b>How is money laundering and terrorist financing regulated in your jurisdiction?</b></p> <p>Money laundering and terrorist financing are regulated by Law 4557/2018 (transposing into Greek Law the Directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing).</p> <p>In addition, Greece has further implemented, through Law 4478/2017, the Directive 2014/42/EU on the freezing and confiscation of instrumentalities and proceeds of crime in the European Union.</p>

20	<p><b>Are there rules regulating compliance in the supply chain (for example, comparable to the UK Modern Slavery Act, the Dutch wet kinderearbeid, the French loi de vigilance)?</b></p> <p>In principle, there are no similar rules applicable to private entities. However, similar clauses regulating compliance in the supply chain may be identified in Greek public tenders.</p>
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## C7. Compliance

21	<p><b>Please describe the requirements to prepare, audit, approve, and disclose annual accounts/annual financial statements in your jurisdiction.</b></p> <ul style="list-style-type: none"> <li>• <b>Sociétés anonymes:</b> <p><b>Preparation, approval and disclosure of annual financial statements</b></p> <ul style="list-style-type: none"> <li>- The board of directors prepares/drafts the company's annual financial statements, in accordance with the provisions of Law 4308/2014 ("Greek Accounting Standard").</li> <li>- Before their submission to the annual general meeting of shareholders for approval, the annual financial statements shall be duly signed by the following three persons: <ul style="list-style-type: none"> <li>a) The chairman of the board of directors or the vice-chairman of the board of directors;</li> <li>b) The managing or the executive director or in case there is no such person or where their capacity coincides with that of the above persons, a member of the board of directors appointed by the latter;</li> <li>c) The responsible accountant, being certified by the Economic Chamber of Greece as a holder of a class A license for the preparation of financial statements or, in the case of credit institutions or a parent company of a credit institution, by the person or persons to whom the board of directors has delegated responsibility for the preparation of financial statements.</li> </ul> </li> <li>- The annual general meeting of shareholders shall convene within the 10th day of the ninth month as of the end of each financial year, in order to decide on the approval of the annual financial statements.</li> <li>- The annual financial statements are submitted to the General Commercial Registry ("Γ.Ε.ΜΗ") within 20 days from the date of the approval by the annual general meeting. In addition, the annual financial statements are published in the company's website and remain applicable for a period of at least two years therefrom.</li> </ul> <p><u>Note:</u> For listed companies, the annual financial statements shall also be submitted to the Hellenic Capital Markets Commission ("HCMC").</p> <p><b>Audit of annual financial statements</b></p> <ul style="list-style-type: none"> <li>- Medium and large companies are obliged to have their annual financial statements audited. Small entities may also opt for such audit, but this is not mandatory under Law 4548/2018. In this respect, the following should be noted: <ul style="list-style-type: none"> <li>a) The auditors are appointed for the upcoming fiscal year by virtue of the above annual general meeting resolution;</li> <li>b) In case of newly established companies, the auditors may be appointed for the first fiscal year by virtue of either the company's Articles of Association or the resolution of the extraordinary general meeting convened within three months as from the company's establishment date;</li> <li>c) The criteria qualifying a company as a small, medium or large enterprise derive from its financial statements, including net turnover, total assets, and number of employees.</li> <li>d) The company must meet two out of the three criteria above in order to qualify under the specific category. The company can change categories if it surpasses or under-passes any two out of the three criteria above for two consecutive years;</li> <li>e) In case of newly established companies, medium enterprises are considered the ones whose share capital does not exceed the amount of €1 million and large the ones whose share capital exceeds the amount of €1 million.</li> </ul> </li> </ul> </li> <li>• <b>Limited liability companies:</b> <ul style="list-style-type: none"> <li>- The administrators prepare and sign the company's annual financial statements, in accordance with the provisions of Law 4308/2014 ("Greek Accounting Standard").</li> <li>- The annual partners' meeting shall convene within the 10th day of the ninth month as of the end of each financial year, in order to decide on the approval of the annual financial statements and the annual management report.</li> <li>- In case the company falls ex lege under regular audit, the annual financial statements shall be audited by certified accountant or audit firm.</li> <li>- The annual financial statements are submitted to the General Commercial Registry ("Γ.Ε.ΜΗ") within 20 days from the date of the approval by the annual partners' meeting.</li> </ul> </li> <li>• <b>Private companies:</b> <ul style="list-style-type: none"> <li>- The administrators prepare and sign the company's annual financial statements and the annual management report.</li> <li>- The annual partners' meeting shall convene within the 10th day of the ninth month as of the end of each financial year, in order to decide on the approval of the annual financial statements and the annual management report.</li> <li>- The annual financial statements are submitted to the General Commercial Registry ("Γ.Ε.ΜΗ") within 20 days from the date of the approval by the annual partners' meeting.</li> </ul> </li> </ul>
22	<p><b>Please provide details on any corporate/company secretarial annual compliance requirements?</b></p> <ul style="list-style-type: none"> <li>• <b>Sociétés anonymes:</b> <ul style="list-style-type: none"> <li>- Annual management report: The board of directors of the company is required, on an annual basis, to prepare and file to the general meeting a management report. In general terms, such management report provides an accurate description of the</li> </ul> </li> </ul>

	<p>company's affairs, financial performance and financial standing, as well as a description of the company's major risks and uncertainties.</p> <p><b>Note:</b> In general terms, very small companies, except for those that constitute public sector entities within the meaning of special provisions of law, are exempt from the obligation to prepare such management report.</p> <ul style="list-style-type: none"> <li>- Corporate governance statement: The listed companies are required to include in their management reports a corporate governance statement. In general terms, such statement contains information relating to the corporate governance practices of the company (i.e, the corporate governance code, which is applicable to the company, any corporate governance practices, description of the key features of the internal audit and risk managements systems of the company as to the procedure of drafting of financial statements, a description of any applicable diversification-related policies, etc.).</li> </ul> <ul style="list-style-type: none"> <li>• <b>Limited liability companies/private companies:</b> <ul style="list-style-type: none"> <li>- Annual management report: The administrators of either company are required, on an annual basis, to prepare and file to the partners' meeting a management report. In this regard, the provisions of Law 4548/2018 for sociétés anonymes is applied mutatis mutandis.</li> </ul> </li> </ul>
23	<p><b>Is there a requirement for annual meetings of shareholders, or other stakeholders, to be held? If so, what matters need to be considered and approved at the annual shareholder meeting?</b></p> <ul style="list-style-type: none"> <li>• <b>Sociétés anonymes:</b> The annual ordinary general meeting of shareholders is required to take place at least once per fiscal year, up until the 10th day of the ninth month as from the year-end of the previous fiscal year, and include the following agenda items: <ul style="list-style-type: none"> <li>a) Approval of the annual financial statements of the company, along with the relevant management report and auditors' report (if applicable);</li> <li>b) Approval of the overall management of the company's board of directors and release of the members of the board of directors from any liability for their actions;</li> <li>c) Distribution of dividends to the shareholders (if desired); and</li> <li>d) Appointment of the company's auditors for the upcoming fiscal year (if applicable).</li> </ul> </li> <li>• <b>Limited liability companies and private companies:</b> The same requirement and deadline is also provided for the approval of the annual financial statements of such companies.</li> </ul>
24	<p><b>Are there any reporting/notification/disclosure requirements on beneficial ownership/ultimate beneficial owners ("UBO") of entities? If yes, please briefly describe these requirements.</b></p> <p>Any legal entity that has a registered office in Greece or conducts any business activity that is taxable in Greece is obliged to create a Special UBOs' Registry, which will include details of all its UBOs, pursuant to the provisions of Greek law 4557/2018 (transposing 4th AML Directive).</p> <p>Such UBOs' Registry must be:</p> <ul style="list-style-type: none"> <li>a) Drafted and kept at the registered seat of the legal entity, duly completed and updated; and</li> <li>b) Filed with the Central UBOs' Register of the competent Ministry.</li> </ul> <p>Any change in the shareholding structure of the company must be registered with the Central UBOs' Register within 60 calendar days as of the date such change becomes effective.</p> <p>The legal representative of the legal entity or a specifically authorized individual is the competent person within such entity for keeping and filing the UBOs' Registry with the Central UBOs' Register.</p> <p>The objective of Law 4557/2018 is to oblige such legal entities to register the details of their UBOs, including all direct, intermediate and ultimate owners, up to the level of the natural persons who actually control the entity, either directly or indirectly.</p> <p>Listed companies are exempt from the requirement to keep a UBOs' Registry since such companies are in any case required to keep a notifications' record in accordance with Law 3556/2007.</p>
<p><b>C8. Tax</b></p>	
25	<p><b>What main taxes are businesses subject to in your jurisdiction, and on what are they levied (usually profits), and at what rate?</b></p> <p>Corporate income tax ("CIT") is levied on a legal entity's total annual profits before the distribution of dividends at 22% as from 1 January 2021 onwards. The tax basis is determined based on the profit and loss account drafted under either Greek Accounting Principles or IFRS, while certain adjustments are necessary to comply with specific tax provisions.</p> <p>All types of income and losses of a corporation are put in a single basket (business income) and taxed at the aforementioned rate.</p> <p>Greek tax resident entities are taxed on their worldwide income. Branches are taxed in the same way as domestic legal entities on net taxable profits attributable to them based on the functions and risks performed in Greece. Foreign branch profits are included in the taxable base of the Greek head office with an ordinary tax credit available for foreign income tax. In principle, losses arising abroad from the business activities of a foreign permanent establishment ("PE") may not be utilized in the calculation of the company's taxable profits (of the same fiscal year) or be set off against future profits, except in the case of losses arising from business activities of a PE in an EU or European Economic Area (EEA) country under certain conditions.</p> <p>Non-resident entities are taxed only on Greek sourced income. Business income and capital gains are considered sourced in Greece only if they are attributable to a local PE.</p>



26	<p><b>Are there any particular incentive regimes that make your jurisdiction attractive to businesses from a tax perspective (e.g., tax holidays, incentive regimes, employee schemes, or other)?</b></p> <p><b>Participation exemption:</b> Dividends received from (domestic or EU-resident) subsidiaries qualifying for the participation exemption (i.e., where a minimum participation of 10% is held for an uninterrupted period of at least 24 months, etc.) are exempt from corporate tax. In addition, capital gains derived from the disposal of qualified participants in domestic or EU-tax resident subsidiaries may be exempt from corporate tax if, among other requirements, a 10% minimum participation is held for an uninterrupted period of at least 24 months.</p> <p><b>Greek patent box:</b> Under the Greek patent box regime, profits from the sale of products manufactured by an enterprise using a self-developed internationally recognized patent or profits from the licensing or the sale of such patents are provisionally exempt for three consecutive years. These profits, however, are taxable upon subsequent distribution or capitalization (tax deferral). In addition, a super deduction of 200% is granted to taxpayers for eligible expenses incurred in scientific and technological research activities. Further, businesses may benefit from a deduction of 130% for advertising expenses incurred in fiscal year 2022 while certain other super deductions are provided for expenses related to employees and environmental protection.</p> <p>Certain incentives are provided for "strategic investments". In a nutshell, strategic investments need to meet a minimum total budget requirement and/or relate to specific sectors, such as research and innovation, biotechnology, cultural and creative industries, robotics, artificial intelligence ("AI"), medical tourism, etc. Amongst the incentives provided are, indicatively, the stabilization of the income tax rate for several years, tax exemption, accelerated tax depreciation for fixed assets, etc.</p>
27	<p><b>Are there any impediments/tax charges that typically apply to the inflow or outflow of capital to and from your jurisdiction (e.g., withholding taxes, exchange controls, capital controls, etc.)?</b></p> <p>Capital controls in Greece have been lifted as of September 2019.</p> <p>The repatriation of profits from a branch to its head-office does not qualify as a dividend and is not subject to dividend WHT (no branch remittance tax).</p> <p>In general, withholding tax apply as follows:</p> <p><b>Dividends – 0% to 5%</b></p> <ul style="list-style-type: none"> <li>Exemption may apply under the EU Parent Subsidiary Directive if the beneficial owner of the dividend is a domestic or EU resident company subject to corporate income tax and holds at least 10% in the distributing entity for an uninterrupted period of more than 24 months.</li> </ul> <p><b>Interest – 0% to 15%</b></p> <ul style="list-style-type: none"> <li>Interest is considered sourced in Greece when the payer is a Greek tax resident entity or a permanent establishment of a non-resident entity.</li> <li>The domestic WHT on interest is levied at 15% subject to double tax treaty relief.</li> <li>Exemption from WHT on interest may be available under the EU Interest and Royalties Directive provided the beneficial owner of these payments is a domestic or EU entity subject to corporate income tax and has a direct affiliation with the Greek payer of at least 25% for an uninterrupted 24 months holding period.</li> <li>Interest on bank loans is exempt from WHT. However, bond loans subscribed by banks are not considered bank loans and are subject to WHT.</li> </ul> <p><b>Royalties – 0% to 20%</b></p> <ul style="list-style-type: none"> <li>The domestic WHT rate on royalties is 20%. Exemption may be available under the EU Interest and Royalties Directive as per above, while tax treaty relief at source in the form of lower WHT rates is provided in a few treaties (notably the treaty with the US and the UK) where 0% WHT may be applied.</li> <li>For royalties, the domestic definition adopts a more expansive approach in line with Greece's observations to the OECD Commentary. Notably, Greece considers payments for the right to use software for personal or business use as royalties and levies withholding tax on most software related payments.</li> </ul> <p>Fees for technical, consulting, management, and other similar advisory services paid to a non-resident entity are not subject to withholding tax (irrespective of the existence of a tax treaty). Payments for such services to Greek PEs of EU entities are exempt from withholding tax, whereas if the head office is located in a non-EU country, a 20% withholding typically applies, unless there is a non-discrimination provision in the relevant double tax treaty. To be noted that technical works WHT at 3% should apply to payments made to both EU and non-EU PEs as well as to domestic entities.</p>
28	<p><b>Are there any significant transfer taxes, stamp duties, etc. to be taken into consideration?</b></p> <p>The transfer of non-listed shares is exempt from stamp duty and VAT and outside the scope of real estate transfer tax ("RETT"). The sale of listed shares is subject to a sales tax at 0.2% burdening the seller.</p> <p>Capital duty applies at a rate of 0.5% on nominal share capital increases with an additional 0.1% duty in favor of the Hellenic Competition Committee ("HCC") applicable to share capital increases in sociétés anonymes. The share capital introduced on incorporation of a company is exempt from capital duty (albeit subject to 0.1% duty in favor of the HCC in case of sociétés anonymes).</p> <p>Loans are, in principle, subject to stamp duty of 2.4% on the principal amount and on interest payments. As per recent case law, loans provided by entities which are subject to VAT may on condition be exempt from stamp duty. This case law has not been explicitly</p>

accepted by the Greek tax authorities. Bank loans are exempt from stamp duty, subject instead to a levy of 0.6% (annual rate) on the unpaid principal balance of the loan.

Bond loans are specifically exempt from stamp duty and any other indirect taxation. Only sociétés anonymes may issue bonds under Law 4548/2018.

RETT is levied on the transfer of rights in rem over immovable property. The transfer tax rate is 3.09% and is imposed on the higher of the objective (or tax) value of the property and the agreed sales price.

A special real estate tax ("SRET") applies, prima facie, at a rate of 15% on the tax value of property located in Greece held by non-natural persons as of 1 January each year. As the imposition of SRET is rather a tax anti-avoidance measure, several exemptions are provided by law. As a fallback and in case none of the exemptions can be claimed, a real estate company may claim exemption by disclosing its UBOs, which must have obtained a Greek TIN number prior to the assessment date (1 January).

## C9. M&A

### 29 **Are there any public takeover rules?**

The framework governing public takeovers in Greece comprises:

- **Greek Tender Offer Law:** Law 3461/2006, as in force, transposing Directive 2004/25/EC into Greek law on takeover bids for listed Greek companies;
- **Takeover Decisions of the Board of Directors of the Hellenic Capital Market Commission ("HCMC"):** Decision No. 1/409/29.12.2006 ("Exercise of redemption rights after the completion of the public offer"), Decision 1/644/22.04.2013 ("Exercise of redemption rights after the submission of a public offer pursuant to article 27 of Law 3461/2006").

### 30 **Is there a merger control regime and is it mandatory/how does it broadly work?**

#### **Greek Merger Control Regime:**

- Regulation (EC) 139/2004 on the control of concentrations between undertakings (Merger Regulation);
- Articles 5 – 10 of Law 3959/2011 on the protection of free competition, as amended and in force (Competition Law).

Enforcement of the Greek Merger Control Regime is overseen by the Hellenic Competition Commission ("HCC"), an independent administrative authority.

#### **Merger Control Procedure:**

- **Pre-notification obligation:**

In a nutshell, a concentration must be notified to the HCC prior to its completion (pre-merger notification), in case the following two thresholds are cumulatively met:

- a) All participating undertakings have an aggregate worldwide turnover of at least €150 million; and
- b) Each of at least two participating undertakings has an aggregate Greek-wide turnover exceeding €15 million.

Note: The above thresholds are reduced for concentrations in the four mass media markets (i.e., newspapers, magazines, TV, and radio).

In general terms, a concentration subject to notification cannot be implemented until the HCC issues its decision on the concentration. As an exception, the concentration can be implemented prior to issuance of HCC's decision, in specific situations provided under the provisions of Law 3959/2011.

- **Preliminary investigation:**

After the filing of the relevant notification, the HCC initiates a preliminary investigation that may involve requesting additional information from the parties and contacting third parties (such as public authorities, customers, suppliers or competitors).

- **Further investigation:**

If, after the completion of the preliminary investigation, the HCC believes that the concentration under review falls within the scope of merger control and there are serious doubts as to whether such concentration is compatible with effective competition in the relevant market, the HCC refers the concentration for a further investigation.

- **Final decision of the HCC**

Within 90 days from the referral for further investigation (or 105 days, if the deadline to propose commitments has been extended), the HCC must issue a decision either:

- a) Approving the concentration, possibly subject to conditions; or
- b) Prohibiting the concentration.

- **Ex-officio investigation:**

	<p>The HCC can investigate, on its own initiative, whether a concentration, subject to notification, has been duly notified to it or, in relation to completed concentrations subject to pre-merger control, whether approval has been obtained before the concentration's implementation. The Competition Directorate conducts investigations in these cases. In the event of a breach of any provision of Law 3959/2011, the case is referred to the HCC to consider sanctions. Law 3959/2011 does not set specific deadlines for the HCC's decisions in ex-officio investigations.</p>
31	<p><b>Is there an obligation to negotiate in good faith?</b></p> <p>According to the provisions of Article 197 of the Greek Civil Code, during the stage of negotiations relating to any type of transaction, the parties are obliged to act in good faith and according to common commercial practice.</p> <p>Pursuant to the provisions of Article 198 of the Greek Civil Code, if a party, during the stage of negotiations, as a result of acting in bad faith, causes damage to the other party, is liable to compensate the latter, even if the transaction/contract has not been concluded.</p>
32	<p><b>What protections do employees benefit from when their employer is being acquired, for example, are there employee and/or employee representatives' information and consultation or co-determination obligations, and what process must be followed? Do these obligations differ depending on whether an asset or share deal is undertaken?</b></p> <p><b>Share sale</b></p> <p>There are no specific employee rights/protections relating to a share sale (other than the ordinary employment law rights/protections). From an employee relations perspective, it is best practice to inform the employees about the sale and related information so that they understand the rationale for the sale and to alleviate any concerns about the potential impact of the sale.</p> <p><b>Asset sale</b></p> <p>In the event of transfers of undertakings and businesses, Presidential Decree No. 178/2002 applies and has the following key consequences regarding employees:</p> <ul style="list-style-type: none"> <li>• Automatic transfer: Employment contracts and employment relationships, existing on the date of the transfer of business, between the transferor and its employees are automatically transferred to the successor employer, by means of the mere fact of the transfer and regardless of any possible adverse intention of the transferor or the successor employer. Employees' consent is not a prerequisite for the transfer of business.</li> <li>• Protection against changing terms of employment: Pursuant to the provisions of Article 4 of the aforementioned Presidential Decree, all rights agreed upon by the previous employer (transferor) must remain the same, including the salary amount, the duties performed by the employees and, in general, all terms of the employment contract.</li> <li>• Protection against dismissal: Employees enjoy special legal protection against dismissals. According to the provisions of Article 5 of the said Presidential Decree, the transfer of business per se may not constitute a ground for termination of employment.</li> <li>• Obligation to inform and consult: Pursuant to the provisions of Article 8 of the above-mentioned Presidential Decree, both the transferor and the successor employer are required to proceed with the notification of and consultation with the employees' representatives with respect to certain critical points relating to the particular terms and conditions of the transfer and more specifically:             <ul style="list-style-type: none"> <li>- The date or the proposed date of the transfer;</li> <li>- The reason of the transfer;</li> <li>- The legal, economic and social implications of the transfer for the employees; and</li> <li>- Any foreseen measures pertaining to the employees.</li> </ul> </li> </ul>

## C10. Foreign direct investment

33	<p><b>Please provide details on any foreign direct investment restrictions, controls or requirements. For example, please provide details on any limitations, notifications, and/or approvals required for corporate acquisitions.</b></p> <p>Generally speaking, there are no specific restrictions regarding direct and indirect investment in Greece. There are various provisions aiming to attract foreign investment, which offer incentives under conditions specified in the relevant legislation.</p> <p>There are no restrictions on foreign ownership and investment except for those in real estate. In particular, Law 1892/1990 imposes restrictions on foreign ownership or occupation of real estate by foreign individuals or legal entities of non-EU member states and EFTA member states. These restrictions can be lifted by virtue of a presidential decree, in accordance with the provisions of the said law.</p>
34	<p><b>Does your jurisdiction have any exchange control requirements?</b></p> <p>No.</p>

## D. Entity closure

35	<p><b>What are the most common ways to wind up/liquidate/dissolve an entity in your jurisdiction? Please provide a brief explanation of the process.</b></p> <p>(i) <b>Personal companies:</b></p> <ul style="list-style-type: none"> <li>• <b>General partnership:</b> <ul style="list-style-type: none"> <li>- <b>Dissolution stage</b></li> </ul> </li> </ul>
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Grounds for dissolution:

The general partnership can be dissolved:

- a) Upon expiry of its prescribed term;
- b) By decision of its partners;
- c) In case it is declared bankrupt;
- d) By court judgement due to serious cause, on the application of a partner;
- e) In any other case as provided in the partnership agreement.

- **Liquidation stage**

In case the general partnership is dissolved for any reason whatsoever, the liquidation stage shall follow (unless the partners have agreed otherwise). The partners are in charge for both liquidation and distribution processes. Until the conclusion of the liquidation and the distribution process, the general partnership continues to exist.

• **Limited partnership:**

- **Dissolution stage**

Grounds for dissolution:

The general partnership can be dissolved:

- a) Upon the expiry of its prescribed term;
- b) By decision of its partners;
- c) In case it is declared bankrupt;
- d) By termination notice of either partner for any reason, in case the company has an unlimited duration and only for serious cause, in case the company has limited duration;
- e) By reason of exit, exclusion or death of the sole general partner (unless by virtue of an amendment to the partnership agreement, which must be published within four months with the General Commercial Registry (*Γ.Ε.ΜΗ*), one of the limited partners becomes a general partner or a new partner enters the company as a general partner);
- f) in any other case as provided in the partnership agreement.

- **Liquidation stage**

In case the limited partnership is dissolved for any reason whatsoever, the liquidation stage shall follow. The partners are in charge for both liquidation and distribution processes. Until the conclusion of the liquidation and the distribution process, the limited partnership continues to exist.

(ii) **Capital companies:**

• **Limited liability company:**

- **Dissolution stage**

Grounds for dissolution:

The limited liability company can be dissolved:

- a) In all cases as provided for by law or the Articles of Association;
- b) By the decision of the partners' meeting taken by a majority of two-thirds of the total number of partners, representing the two-thirds of the company capital, unless otherwise specified in the Articles of Association;
- c) By court judgment due to serious cause, upon application by one or more partners representing at least one-tenth of the company capital;
- d) In case the company is declared bankrupt;
- e) Upon the expiry of its prescribed term, unless such term is extended prior to its expiry by the decision of the partners' meeting.

The dissolution of the company shall be published with the General Commercial Registry (*Γ.Ε.ΜΗ*).

With the exception of bankruptcy, within one month from the dissolution of the company, the administrator is required to prepare financial statements for the end of the financial year, which shall be approved by the partners' meeting and shall be subject to publication with the General Commercial Registry (*Γ.Ε.ΜΗ*).

- **Liquidation stage**

In case the company is dissolved for any reason whatsoever, the liquidation stage shall follow. The administrators or any other person provided in the Articles of Association or in a relevant decision of the partners' meeting, are in charge of the liquidation and distribution process.

A similar requirement to prepare financial statements exists for the appointed liquidators at the beginning, during, and at the end of the liquidation process.

Until the conclusion of the liquidation and distribution process, the company continues to exist and maintain its trade name, in which the words "under liquidation" shall be added.

• **Private company:**

- **Dissolution stage:**

Grounds for dissolution:

Private Company can be dissolved:

- a) By the decision of its members;
- b) Upon the expiry of its prescribed term, unless such term is extended prior to the expiry by decision of its members;
- c) If it is declared bankrupt;
- d) In all cases as provided for by law or the Articles of Association.

- **Liquidation stage:**

Upon dissolution of the company for any reason whatsoever, say where it has been declared bankrupt, the stage of liquidation shall follow. The liquidation and distribution processes are performed by the administrator, unless the Articles of Association provide otherwise, or the members have decided otherwise.

A requirement to prepare financial statements exists for the appointed liquidators at the beginning, during and at the end of the liquidation process.

Until the completion of the liquidation and distribution processes, the company continues to exist and maintain its registered name, in which the words "under liquidation" shall be added.

With the exception of the dissolution of the company due to the expiry of its prescribed term, the liquidator shall ensure that the completion of the liquidation and the dissolution of the company are registered with the General Commercial Registry (*Γ.Ε.ΜΗ.*)

• **Société anonyme:**

- **Dissolution stage:**

Grounds for dissolution:

The company can be dissolved:

- a) Upon the lapse of the term as set out in its Articles of Association;
- b) By the decision of the general meeting taken by special quorum and majority;
- c) If it is declared bankrupt;
- d) Where the application for bankruptcy is rejected due to the lack of assets to cover the costs of the process;
- e) By a court order, on the application of shareholders with a legitimate interest; or
- f) By a court order, on the application of any shareholder(s) representing at least one-third of the paid share capital, if there are serious grounds indicating that the company is manifestly and permanently unable to remain operative.

- **Liquidation stage:**

With the exception of bankruptcy, the dissolution of the company shall be followed by liquidation.

Based on the ground of dissolution, the liquidators are appointed either by virtue of a resolution of the general meeting or by the court. The appointment of liquidators automatically results in the cessation of the powers of the board of directors and the provisions of Law 4548/2018 referring to the board of directors apply to liquidator's mutatis mutandis.

At the request of any shareholder(s) representing at least 10% of the share capital or at the request of the liquidator, the court may skip or suspend the liquidation and order the immediate striking-off of the company from the General Commercial Registry (*Γ.Ε.ΜΗ.*).

A requirement to prepare financial statements exists for the appointed liquidators at the beginning, during and at the end of the liquidation process.

Until the completion of the liquidation and distribution processes, the company continues to exist. Upon the completion of the aforementioned processes, the liquidator takes all necessary steps to strike off the company from the General Commercial Registry (*Γ.Ε.ΜΗ.*).

# Contacts

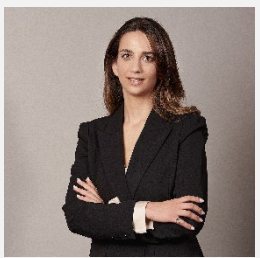


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