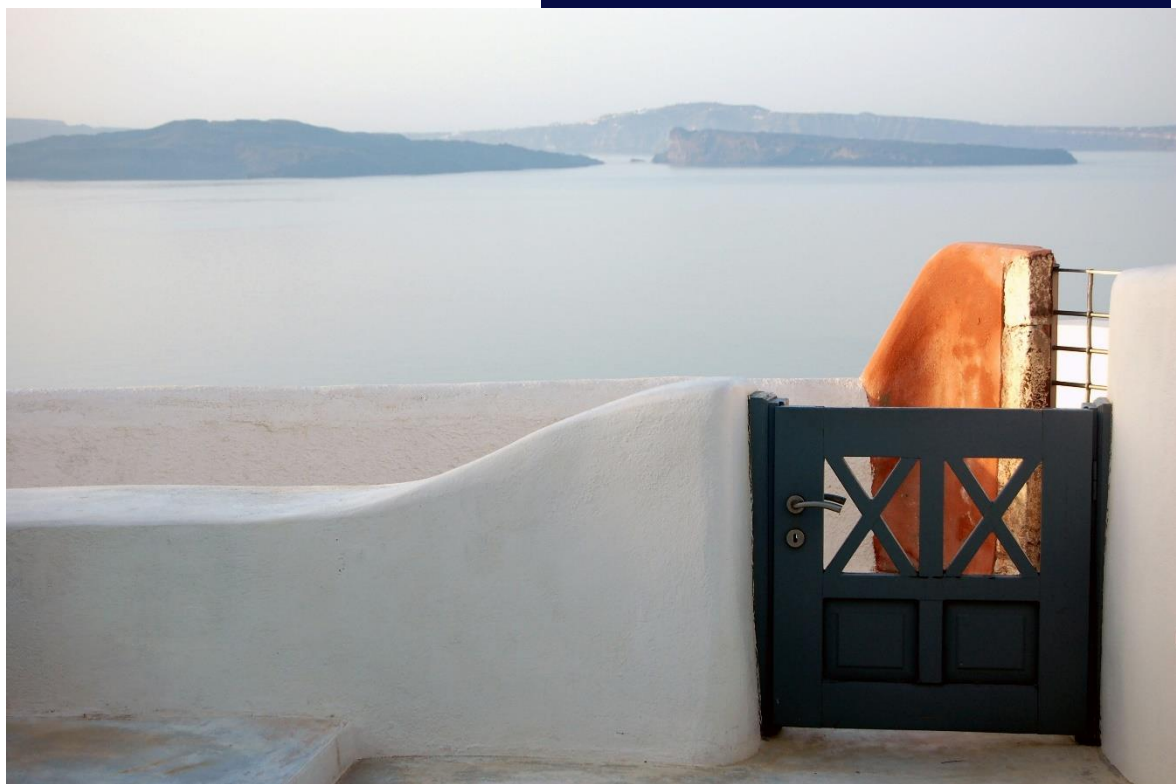


2025



GREECE
PAYROLL GUIDE

PAYROLL & EMPLOYMENT GUIDE- GREECE

Overview

Each year, the Greek government (in collaboration with the syndicate unions) announces special wage tables for each working position. These tables (taking into account factors such as the employees' prior working experience, marital status, and certified knowledge) estimate the minimum legal salary that should be paid by the employers. Any amount over the lowest legal one can be agreed on between the employer and the employee. Due to the crisis, a respective number of the collective agreements have been frozen or not renewed. The general non-salary related rules of those not renewed or terminated continue to apply, but the ones concerning salary compensation do not. The National General Collective Agreement is the legislative act which states the minimum salary that all employers must respect. As of April 2024, the minimum wage has been set at **€830** without age limits.

Throughout the year, 12 salaries are calculated, one for each month. In addition, three more benefits are provided: during the Christmas period (paid until the December 21st and in value almost equal to a monthly salary), during the Easter period (payable until Holy Wednesday and in value equal to half a salary) and an additional benefit given when the employee is on his/her annual paid leave (financially equal to half a salary as well). All salaries and benefits are subject to social insurance and tax deductions.

Social Insurance Foundation

All salaries are subject to social insurance deductions.

There are numerous social insurance foundations; each one responsible for a different profession or specialty. Each employer and employee need to be registered in the respective social insurance foundation according to the employer's activities and the employee's working position.

The most common Social Insurance Foundation is EFKA (Social Insurance Foundation). Its deductions are calculated on the gross salaries as follows:

Full time /Part Time Employee

Employee	13.37%
Employer	21.79%

The above percentages apply when both pension and health deductions are covered by EFKA.

In cases when extra social insurance deductions are required (e.g., such as TEAYEK, TSEDE) social insurance foundation regarding employees working in stores) the above percentages differ as follows.

EFKA (TAPIT-TEAYEK)	
Employee (employee before 1993)	0.4%
Employer (employer before 1993)	0.4%
Employee (employee after 1993)	4%
Employer (employee after 1993)	0%
EFKA (TSMEDE)- Category 1	
Employee	10.37% + €53 per month
Employer	18.79% + 22.72 per month
EFKA (TSMEDE)- Category 2	
Employee	10.37% + €63.50 per month
Employer	18.79% + 27.38 per month
EFKA (TSMEDE)- Category 3	
Employee	10.37% + €75.72 per month
Employer	18.79% + 32.63 per month

All percentages are calculated on the gross salary with a pre-set limit of deductions. All percentages are indeed calculated on the gross salary as long as the salary doesn't exceed the amount of **€7,572.62** per month.

In case of a salary of **€8,000** per month, for example, the social insurance deductions will be calculated on the ceiling amount of **€7,572.62**.

The employer is obligated to pay all calculated social insurance deductions to the respective fund at the end of the following month for the one at hand. In case of delinquency, the payable amount is surcharged with a percentage of 3% for the first month and a percentage of 1% for each additional month.

In addition, the employer is also obligated to submit a statement with the employees' complete personal, working and financial data at the end of the following month for the trimester at hand. In case of not meeting the deadline, the employer is fined with a percentage of 10% for the first month of delay and a percentage of 30% for each additional month of delay. All percentages are calculated on the trimester's total social insurance deductions.

Tax Deductions

Employees' salaries are subject to tax deductions; the percentage used to calculate the tax deduction varies according to the employee's estimated annual income.

Employee's Tax Income

Annual income in €	Tax percentage %
0- 10,000	9%
10,0001- 20,000	22%
20,0001- 30,000	28%
30,001-40,000	36%

Over 40,000	44%
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Depending on the number of children please see the below table:

Number of children	Tax deduction (in Euro)
0	777*
1	900
2	1,120
3	1,340
4	1,580
5	1,780
Over 5	220 for each child

*Valid for incomes not exceeding €20,000

Every second month, the employer is obligated to pay the amount of taxes withheld from the employees' salaries until that time by submitting the appropriate statement. Furthermore, the employer has to submit an annual statement with the total financial data of the year.

As of January 1, 2021, the solidarity tax has been abolished. Please note that in case the taxable income from employment and pensions exceeds the amount of €12,000 the above reductions are diminished by €20 for each €1,000 of taxable income.

Employment Procedure

For an employment relationship to be established, the employer has to be legally registered to the appropriate Social Insurance Foundation. Once this is done, a hiring document is completed with the employee's personal information such as full name, IRS No., education level etc. and working information (such as working position and employer data). Both employer and employee sign the document which must be submitted to the authorities at the same day or before but never later than the first starting day.

Besides the hiring documents, an employment agreement document must also be concluded and signed by both parties. The agreement's content can vary. Typically, the agreement states the nature of the employee's position, the way he/she will be paid, the agreed working hours as well as the period of employment. The period of employment could be infinite or defined between a time-period of one month to a year. In addition, the working hours can be agreed on as long as they don't exceed the eight hours per day and 40 hours per week.

After each hire, the employer has to submit a personnel chart containing the new employee's working and personal data on the same day of the hiring. This chart is submitted to the relevant authority. The same personnel chart is also submitted once every year with all the employees' data.

Labor

Working hours

For all sectors of work and all sectors of economic activity, the full working hours of forty (40) hours per week are established for each employee with a dependent employment relationship.

The working schedule of forty (40) hours per week can be distributed on a 5-day on a 6-day or on a 4-day basis. There are three choices listed in the table below:

Working Schedule A	Working Schedule B	Working Schedule C
6 days per week	5 days per week	4 days per week
6 hours and 40 min per day	8 hours per day	10 hours per day

Upon completion of four (4) hours of daily work, a break is granted for the employees to rest. The maximum break reaches up to thirty (30) minutes per day. It is noted that break time is not working time and is not remunerated.

Daily Break	maximum 30 minutes
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Overtimes

The maximum number of overtime hours is set at one hundred and fifty (150) hours per year and up to three (3) hours per day for all employees in the country.

The 9th working hour in the five-day employment and the 8th working hour in the six-day employment have a surcharge, which remains at a rate of twenty percent (20%) on the hourly wage paid.

Employees working overtime are entitled to a fee equal to the paid hourly wage increased by forty percent (40%) for each hour of legal overtime.

In cases of exceeding the permitted overtime limits [one hundred and fifty (150) hours per year] due to urgent work, the execution of which is deemed absolutely necessary and cannot be postponed, overtime leave may be granted to the employees. For the above overtime employment, the employees are entitled to a salary equal to the paid hourly wage increased by sixty percent (60%).

Every hour of illegal overtime, the employee is entitled to compensation equal to the paid hourly wage increased by one hundred and twenty percent (120%).

Working Hour	Surcharge
9th working hour in the five-day/ or 8th working hour in the six-day employment	20%
10th working hour in the five-day/ or 9th working hour in the six-day employment Up to 150 hours per year	40%
More than 150 hours per year	60%
Illegal Overtime	120%
Work in the 6 day of the week	40%

Annual Leave

Annual Leave on a 5-day basis

Working Year	Annual Leave Days
1st	20 days/12months
2nd	21 days/12 months
3rd	22 days

For the first calendar year of employment, the new employee is entitled to a proportion of twenty 20 days of leave and for the second calendar year of employment, the employee is entitled to a proportion of twenty-one 21 days of leave. For the third calendar year and on, the employee is entitled to twenty-two

(22) days. These annual leave days can be used at any time during the third calendar year without any restrictions.

The employee is entitled to twenty-five (25) annual leave days if he has working experience over ten (10) years at the same employer or twelve (12) years in total.

Moreover, the employee is entitled to twenty-six (26) annual leave days, if his working experience is of over twenty-five (25) years.

Annual Leave on a 6-day basis

Working Year	Annual Leave Days
1st	24 days/12months
2nd	25 days/12 months
3rd	26 days

For the first calendar year of employment, the new employee is entitled to a proportion of twenty-four (24) days and for the second calendar year of employment, the employee is entitled to a proportion of twenty-five (25) days. For the third calendar year and on, the employee is entitled to twenty-six (26) days. These annual leave days can be used at any time during the third calendar year without any restrictions.

The employee is entitled to thirty (30) annual leave days if his working experience is of over ten (10) years at the same employer or twelve (12) years in total.

Moreover, the employee is entitled to thirty-one (31) annual leave days if his working experience is of over twenty-five (25) years.

Annual leave entitlement should be used until the end of the first quarter of the following calendar year.

Leave of Absence/ Unpaid Leave

The full-time or part-time employee has the opportunity to use unpaid leave, by individual written agreement with the employer. This leave may not exceed one (1) year, while it may be extended by a newer agreement of the parties. During the leave the employment contract is suspended and no insurance contributions are due. Furthermore, the written individual agreement for the granting of unpaid leave to the employee should be posted by the employer at PS "ERGANI" and a copy of it should be notified to e-E.F.K.A. After the expiration of the unpaid leave, all the rights and obligations of the parties arising from the contract of employment continue to apply.

Leave Relates to Family Protection

The following table summarizes the employee's leaves that are related to family protection:

Employee's Leave	Working Period of Leave	With Payment or not
Maternity Leave	119 days	With Payment (for 25 days)
Extension of maternity leave to adoption	63 days	With Payment (for 25 days)
Leave for medically assisted reproduction methods	7 days	With Payment
Childcare leave	30 months with 35 hours/week or 12 months with 30 hours/week or 6 months with 35 hours/week or 3,5 months of leave	With Payment
School performance supervision leave	4 days	With Payment
Marriage Leave	5 days	With Payment
Prenatal Examination Leave	Any time that is necessary	With Payment
Reduced hours of parents of children with disabilities	Reduction 1 working hour per day	Without Payment
Leave due to illness of a child or other dependent member	6 days	Without Payment
Leave due to serious diseases of children	10 days	With Payment
Leave due to childcare	30 days	Without Payment
Leave for single-parent families	6 days	With Payment

Maternity Leave of 9 months	9 months	Without Payment
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The above cases of employee leave are analyzed in the following paragraphs:

Maternity Leave

An employee who is pregnant is entitled to seventeen (17) weeks and/ or one hundred and nineteen (119) days maternity leave (56 days before the estimated date of birth and 63 after). The company is obliged to pay the first twenty-five (25) working days of this period.

As for sick leave, the employee should inform the employer about the period of maternity leave and submit an email to the special platform of the Social Security Contributions Sector for this period of maternity.

Extension of maternity leave to adoption

The mother who acquires a child through the process of surrogacy, as well as the employee who adopts a child from the integration of the child in the family up to the age of eight (8) years, are entitled to the postnatal part of the maternity leave as well as all kinds of earnings and bonuses associated with it.

Leave for medically assisted reproduction methods

Employees who undergo medically assisted reproduction methods are entitled to seven (7) working days of paid leave, after certification by the treating physician or the director of the medically assisted reproduction unit.

Childcare leave

Working parents are entitled, as an alternative to each other, to childcare leave. The leave is granted for a period of thirty (30) months from the end of the maternity leave as part-time. During the above period, the parent who uses this right, is entitled to either arrive one (1) hour later or to leave the job one (1) hour earlier each day. Alternatively, by agreement of the parties, the reduced schedule may be granted in other ways as agreed.

School performance supervision leave

Working full-time or part-time parents have the right of leave for each child, who up to **eighteen (18) years of age**, who attends primary or secondary education, as well as parents of a child with special needs, regardless of the age of the child, who attends a special education structure. According to the Ministry of Education parents can be absent after permission of the employer, without cutting their salaries for certain hours or the whole day, from their work, until the completion of four (4) working days, every calendar year, to visit the children's school for information on school performance and overall attendance.

Marriage Leave

In case of marriage or concluding a cohabitation agreement, leave is granted for six (6) working days, with remuneration, if the employee is employed with a system of six-day weekly work and five (5) working days if he is employed with a system of five-day weekly work. This leave does not count towards the employee's regular annual leave.

Prenatal examination leave

Pregnant employees leave from work without a pay cut, after prior notification of the employer, by any appropriate means, to undergo prenatal examinations, if these examinations must be done during working time.

Reduced hours of parents of children with disabilities

Parents who work in a company that employs at least fifty (50) people and have children with mental or physical disabilities, which is certified by a medical opinion of the Public Sector to which these persons belong, have the independent right for each child to request the reduction of their working hours by one (1) hour per day, with a corresponding reduction of their incomes.

Leave due to illness of a child or other dependent member

Working parents have the individual and non-transferable right to receive unpaid leave, which does not exceed six (6) working days each calendar year, in case of illness of dependent children or other members. This leave may be granted once or in part and is increased to eight (8) working days if the beneficiary protects two children and to fourteen (14) working days if it protects more than two.

Leave due to serious diseases of children

Working parents are granted special parental leave, lasting ten (10) working days per year, with remuneration, to meet the needs of children up to eighteen (18) years of age, with a disease that requires transfusions of blood and its derivatives or dialysis, with neoplastic illness or in need of transplantation or children, regardless of age, with severe mental retardation or DOWN syndrome or autism.

Leave due to childcare

Working parents are granted special parental leave without pay, in case of hospitalization of the child, regardless of age, due to illness or accident that necessitates the immediate presence of the employee, for the duration of the treatment and in any case not more than thirty (30) working days per year.

Leave for single-parent families

Working parents who have been widowed and an unmarried parent who has the sole custody of a child are granted leave of six (6) working days per year, with remuneration. A parent with three (3) children or more is entitled to leave of eight (8) working days per year.

Leave for Balance Between Professional and Private Life

The following table summarizes the employee's leaves that are granted for balance between professional and private life:

Employee's Leave	Working Period of Leave	With Payment or not
Paternity Leave	14 days	With Payment
Parental Leave	4 months	Without Payment
Caregiver Leave	5 days	Without Payment
Absence due to force majeure	2 days	With Payment
Flexible Working Settings	Agreed Duration	With Payment

The above cases of employee leave are analyzed in the following paragraphs:

Paternity Leave

Every working father is entitled to a paternity leave of fourteen (14) working days, with remuneration, which must be obtained at the birth of the child. This leave may: either a) be granted two (2) days before the expected date of birth, in which case the remaining twelve (12) are granted, in whole or in part, directly due to the birth of the child, within thirty (30) days from the date of birth or b) be taken after the date of birth. For the smooth running of the business, the employee notifies the employer of the probable day of childbirth.

In the case of the adoption of a child, aged up to eight (8) years, paternity leave is granted by the integration of the child into the family.

Parental Leave

Every working parent or person exercising parental responsibility as an individual and non-transferable right of parental leave for the upbringing of the child, lasting four (4) months, which can be used continuously or in part, until the child reaches the age of eight (8) years, to fulfil the minimum parenting obligations to it. In the case of the adoption of a child up to eight (8) years old, parental leave is granted by the integration of the child into the family.

The parental leave is subsidized by the Public Sector (OAED) in case that the working parent has completed one (1) year of work with the same employer.

Caregiver Leave

Every employee who has completed six (6) months of work is entitled to a caregiver leave, for the care of a person, lasting up to five (5) working days for each calendar year, if this person needs significant care, which is confirmed by a medical report.

Absence from work due to force majeure

Up to two (2) times a year and up to one (1) working day at a time, the working parent or caregiver is entitled to absenteeism from work, with pay, for reasons of force majeure related to urgent family matters in case of illness or accident, which necessitates the immediate presence of the employee. The illness or accident of the child or person is confirmed by a medical opinion of a hospital or the treating physician.

Flexible working settings

- Every working parent of a child up to the age of twelve (12) or a caregiver is entitled to request flexible working arrangements for care purposes, such as teleworking, flexible working hours or part-time work.
- To be eligible for flexible work arrangements, the working parent must have completed six (6) months of work with the same employer.
- The employer examines within one (1) calendar month each request for flexible work arrangements, considering the needs of the company and the employee. The employer justifies any rejection of a relevant application or any postponement of flexible work arrangements. When flexible work arrangements have a limited duration, the employee returns to the original form of employment when the agreed period expires. The employee has the right to return to the original form of employment before the end of the agreed period, upon request and if this is justified by a specific change of circumstances. The employer considers any such application for early return.

Inability to Provide Work Without Cause

The following table summarizes the employee's leaves that are related to inability to provide work when the cause is not due to the employee:

Employee's Leave	Working Period of Leave	With Payment or not
Sick Leave	1-6 months	With payment up to one month's salary
Work Accident	1-6 months	With payment up to one month's salary
Extreme Weather Conditions	unspecified	It depends on whether the business was opened or not
Military Service/ Military Training	unspecified	Without Payment/ With Payment
Jury duty	unspecified	With Payment
Election Leave	1-3 days	With Payment
Student Leave/ Postgraduate Leave	30 working days/ 10 working days	Without Payment
Leave due to the loss of a relative	2 days	With payment

The above cases of employee leave are analyzed in the following paragraphs:

Sick Leave

Disease conditions

For an employee to be subject to the provisions on sickness, two basic conditions must be met:

- I) The employee ought to be employed in the company for more than 10 days.
- II) The employee ought to be examined and given a certificate of illness by a doctor of the relevant Social Security Sector. If the employee is insured for the first time and does not have the conditions for insurance coverage, then a certificate from a private doctor is sufficient to prove his illness.

Duration of disease

The leave due to a disease of an employee depends on the period that each employee is employed by a specific employer. Under these circumstances, the Labor Law provides:

Leave due to a disease	Period of employment
Up to 1 month	Up to 4 years

Up to 3 months	From 4 to 10 years
Up to 4 months	From 10 to 15 years
Up to 6 months	From 15 years or more

Termination of the employment contract during illness is not prohibited, provided of course that the legal compensation is paid by the employer.

In all cases, each employee should provide to the company the relevant document that certifies their sick leave period.

Incomes during of a disease

The employee during his illness maintains a claim on his salary as follows:

- a) If he has completed service of more than ten days to his employer, but less than a year, he is entitled to a fortnightly salary.
 - b) If he has completed one year of service, he is entitled to one month's salary.
- The above claim for salary right (for fortnight or month) refers to each working (and not calendar) year.

If the employee's illness lasts for a longer period (from fortnight or month) the employer is not obliged to pay further.

Work Accident

The employee is entitled during the period of incapacity to sickness benefit from the EFKA and the rest of his salary from the employer for a period of 15 days, if he has a service of less than a year or 1 month for a service of more than a year.

Extreme Weather Conditions

When the company did not operate for reasons of force majeure and its employees did not come to work for the same reason, there is a joint exemption from the obligation: employment - payment.

When the company was operating normally and an employee could not reach his destination to work, despite his efforts, the company owed him the salary of that day.

Military Leave

1.1 Military service

If the employee has completed six (6) months in cooperation with the company, during the period that the employee is in the army, the employer cannot terminate the employment contract that exists with the employee because it is suspended due

to the fact that the employee is absent. Therefore, any dismissal is considered invalid.

In case the employee has not completed at least six months of service to his employer, he is entitled to the salary and the leave allowance until the time of enlistment, since with enlistment his employment contract is terminated.

Military training

If an employee is called up for military training he is entitled to full pay, because this absence of the employee is not due to his fault but to the compulsory performance of duty.

Jury duty

If an employee is called up for a representation in court he is entitled to full pay, because this absence of the employee is not due to his fault but to the compulsory performance of duty.

Elections Leave

For the five-day employment:

- a) Those who move, to exercise their right to vote at 200-400 kilometers, are granted a permit of one (1) working day.
- b) Those who travel 401 kilometers or more, are granted a leave of two (2) working days, if they travel entirely by road, based on their responsible statement.
- c) For those who travel to islands for which there is no road access, the number of days of leave granted will be considered on a case-by-case basis, depending on the distance and special conditions of travel, but the election leave in these cases does not exceed three (3) working days.

Student Leave/ Postgraduate Leave

In addition to their regular leave, students are entitled to receive an additional unpaid leave of 30 working days from their employer.

Those who participate in a program for a postgraduate diploma of at least one year of study are entitled to a leave of 10 working days. This leave is unpaid by the employer, granted on continuous days or in parts and regardless of the age of the beneficiary.

Leave due to the loss of a relative

Employees with a dependent employment relationship are granted two (2) days paid leave, in case of death of spouse, children, parents and siblings. It is clarified that this leave is granted not only to blood relatives, but also to relatives by marriage related to the same line and the same degree.

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