Organisation internationale du Travail
Tribunal administratif

International Labour Organization
Administrative Tribunal

F.

v.

EPO

142nd Session **Judgment No. 5316**

THE ADMINISTRATIVE TRIBUNAL,

Considering the complaint filed by Ms Z. F. against the European Patent Organisation (EPO) on 17 April 2024, the EPO's reply of 6 August 2024, the complainant's rejoinder of 7 November 2024, the EPO's surrejoinder of 7 February 2025, the additional document submitted by the complainant on 23 April 2026 and the EPO's email of 27 April 2026 to the Registrar of the Tribunal, stating that it had no comment to make;

Considering Articles II, paragraph 5, and VII of the Statute of the Tribunal;

Having examined the written submissions;

Considering that the facts of the case may be summed up as follows:

The complainant challenges the decision not to extend her fixed-term appointment.

The complainant joined the European Patent Office, the EPO's secretariat, on 1 November 2015 on a two-year fixed-term contract. She was assigned to the post of Management Assistant to the Vice-President of Directorate-General 4's (VP4) Office in Munich, Germany. Her appointment was extended several times, until 31 October 2020. In her letters of appointment, it was clearly stated that the appointments did not carry any expectancy of conversion into a permanent contract.

On 5 February 2020, while the complainant was on parental leave, she met with the Advisor to VP4 and the Human Resources Business Partner, to discuss her return to work. They announced that the working environment had changed, becoming increasingly challenging, and that the complainant could not return to her position in the VP4 Office.

On 28 February 2020, the complainant indicated that she wished her parental leave to be extended until 30 June 2020. On the same day, the Advisor to VP4 replied granting her request and explaining that although the Office had prepared an alternative proposal to transfer her to another department, this option was no longer feasible in light of her request for an extension of parental leave. He further informed the complainant that she would receive a “standard letter” at the end of April 2020 informing her that her contract would come to an end in October 2020 and that the Office would look at application options for her.

By a letter dated 30 April 2020, the Human Resources Business Partner informed the complainant that, due to the organisational changes that had taken place in the VP4 Office and her current personal circumstances, no extension of her fixed-term appointment “in that area [was] foreseen”. He added that she may contact Human Resources regarding any administrative matters, such as eligibility for job loss indemnity, social security and pension schemes.

Following discussions between the complainant and Human Resources, the complainant was informed by a letter of 29 May 2020, that she was reassigned to the “Directorate Buildings, Techn[ical] Installations & Property (D441)” with effect from 1 June 2020, also as Management Assistant.

In the meantime, on 15 May 2020, the President of the Office announced a hiring freeze to “avoid higher payroll costs”. He indicated that “any staffing action or exceptional cases of external recruitment [...] [would] require [his] personal approval on a case-by-case basis until further notice”.

On 27 July 2020, a “Note to the President” on the matter of the complainant’s extension of contract was submitted to the President. The Note specified that “the Office has a discretion to extend or not a [five]-

year contract after considering its operational needs and the staff member's performance" and outlined three options for the President to choose from, ranging from a five-year extension to the non-extension of her contract.

On 31 July 2020, the Human Resources Business Partner informed the complainant that her contract would not be extended beyond its expiry date of 31 October 2020. He explained that, as a consequence of the economic climate following the COVID-19 pandemic, all recruitments and hiring measures were "broadly put on hold to allow for a continued review of the needed workforce capacity under the new circumstances". He further indicated that the Office remained committed to achieve its goals, but that it "ought to improve its efficiency" and would therefore continue to "further rationalise the workload in certain areas and/or redeploy existing permanent staff".

Following the complainant's request for a meeting with the President regarding the non-extension of her appointment, the Chief of Staff informed the complainant, by a communication of 30 October 2020, that the President had asked her to provide further explanations. She thus explained that the Office had to take "a prudent approach" regarding its expenditures in 2021 and that it had put in place "restrictive measures" regarding recruitment.

Also on 30 October 2020, one day before the end of her employment, the complainant filed a request for review of the non-extension decision of 31 July 2020. She argued that her legitimate expectation for a renewal was not fulfilled, and that the reasons provided by the Office for not extending her contract were not valid.

Meetings were held in January, February and March 2021 to explore an amicable solution, but no agreement could be reached between the parties, and the complainant was informed on 16 March 2021 that the review procedure would resume.

On 30 March 2021, the complainant lodged an internal appeal against the implied decision to reject her request for review arguing that the non-extension decision was arbitrary, and that her legitimate expectations were violated. She sought the setting aside of the non-extension decision, the extension of her contract or alternatively the conversion of her contract into a permanent one, reinstatement as of 1 November 2020 in her last post, and the full payment of her remuneration as of 1 November 2020 with interest, and the award of material and moral damages.

On 7 June 2021, the President took an express decision on the complainant's request for review, upholding the non-extension decision and providing again some explanations. On 15 July 2021, the complainant submitted this decision alongside her comments to the Appeals Committee. These documents were added to the appeal file.

The Appeals Committee issued its opinion on 27 September 2023. It unanimously considered the appeal to be "founded in large parts", holding that the reasons provided by the Office were not sufficient to justify the decision not to extend the contract, that a general reference to the Office's recruitment policy during the COVID-19 pandemic did not constitute a suitable justification; that the hiring freeze related to external candidates and not to existing fixed-term employees; that the President was not aware of all aspects of the complainant's performance when he took the contested decision; and that the Office did not consider the complainant's personal circumstances or the effects of the COVID-19 pandemic when deciding not to extend her appointment. Based on these reasons, the Appeals Committee concluded that the non-extension decision was unlawful and recommended to award her material damages equal to two years and two months' salary, together with 8,000 euros in moral damages, 200 euros for the length of the proceedings, and to reimburse her legal costs and the appeal registration fee.

Settlement discussions took place between 21 October 2023 and 5 January 2024. These discussions were unsuccessful.

On 18 January 2024, the President informed the complainant of the Office's final decision to depart from the Appeals Committee's recommendation and reject her appeal as unfounded. He maintained that the non-extension decision was lawful, that it fell within the broad discretion of the Office and that she had received valid and sufficient reasons for the decision. This is the impugned decision.

The complainant requests the Tribunal to set aside the final decision of 18 January 2024, together with the “implied and express decision” of 7 June 2021, as well as the initial decision not to extend her appointment. She further seeks reinstatement as of 1 November 2020 in her former post, with full remuneration and benefits, and that her contract be extended until 31 October 2025 at least or, alternatively, that she be granted a permanent appointment. She claims payment of full remuneration and benefits as from 1 November 2020, together with interest at the rate of 5 per cent from the respective due dates, and compensation for any additional material damages she may suffer until reinstatement. In the alternative, she seeks the award of material damages equivalent to five years’ remuneration, or at a minimum to two years and two months’ remuneration. She also claims moral damages. Lastly, she requests reimbursement of the registration fee for the internal appeal, reimbursement of the legal fees incurred in the internal proceedings, and of her legal costs in the present proceedings.

The EPO asks the Tribunal to dismiss the complaint as unfounded.

CONSIDERATIONS

1. In rejecting the complainant’s internal appeal against the rejection of her request to review the decision of 31 July 2020 not to extend her fixed-term contract with the EPO beyond its 31 October 2020 expiry date due to the COVID-19 pandemic and a consequential hiring freeze (announced in May 2020), the Appeals Committee concluded that the appeal was “founded in large parts”. Its reasoning towards that conclusion states as follows:

> “In the present case, the Appeals Committee concluded that the Office did not fulfil its duty to give valid reasons for the non-extension of the [complainant]’s fixed-term contract. The Office’s very generic reasoning did not explain why in the particular case the contract was not extended. The Appeals Committee also observed that other fixed-term contracts in the same job group were extended in 2020. The Appeals Committee also considered that the Office’s discretionary decision was flawed. In the Appeals Committee’s view the ‘hiring freeze’ could not be applied as such to existing contract staff. In contrast to external candidates, they were already staff members for whom the Office had a duty of care. As the Office

> had failed to establish appraisal reports for the complete duration of the [complainant]'s employment, the Office had not followed its own rules and also failed in its duty of care towards the appellant. As a consequence, the President did not have all relevant data at hand when deciding on the extension of her contract. Furthermore, in the particular circumstances the Appeals Committee was of the view that the [complainant]'s personal situation should have been taken into account when taking the challenged decision. Firstly, the Covid-19 pandemic had exceptional effects not only on the Office but also on every staff member, particularly as regards finding job opportunities outside the Office. And secondly, the appellant's personal circumstances had been explicitly referred to by the Office when transferring her to a different department before the end of her contract and deciding not to extend her contract in her former department. This could legitimately be understood by the [complainant] as an indication that there was a realistic perspective for an extension of the contract, should she successfully take up her job in the new department. The comments by her new superior indicate that she integrated successfully into the new job."

2. Regarding the remedies which the complainant sought in the internal appeal procedure, the Appeals Committee stated that it was not in a position to recommend her reinstatement "which is an exceptional remedy under the [Tribunal's] case law [and that] [i]t could not replace the Office's discretion. Even if the case were to be sent back for a new decision taking account of the Appeals Committee's considerations there was no guarantee that the contract would have been extended and for how long." The Appeals Committee therefore recommended that the EPO pay her instead, as material damages, the equivalent of the salary and allowances of all kinds which she would have received for a period of two years and two months from 1 November 2020 to 31 December 2022 had her contract been extended. This recommendation was based on the suggestion in "Option 2" of the "Note to the President". Notably, it had been suggested in "Option 1" of the Note to extend her contract by five years, whilst "Option 3" suggested considering not extending her contract, to reduce staffing costs.

The Appeals Committee also recommended that the EPO pay the complainant 8,000 euros in moral damages, plus 200 euros for undue delay in the internal appeal procedure and the reimbursement of her legal costs in that procedure, as well as her registration fee.

3. In the impugned decision of 18 January 2024, the President informed the complainant that he disagreed with the Appeals Committee's conclusion that the non-extension decision was unlawful, departed from the remedies the Appeals Committee recommended, and rejected her appeal as unfounded. He generally maintained that the non-extension decision was lawful, that it fell within his broad discretionary power and that the complainant was given valid and sufficient reasons for that decision.

4. Inasmuch as the complainant challenges a decision not to extend her contract, it is noted that Articles 8 and 50 of the Service Regulations for permanent employees of the Office relevantly stated as follows:

> "8(1) Employees shall be recruited to the Office on a permanent or fixed-term basis.
>
> (2) A fixed-term appointment shall be an appointment for a specified duration of up to five years. It may be extended by express mutual agreement. For employees in job groups 4 to 6, the total duration of continuous service on such fixed-term appointment shall not exceed ten years. For employees in job groups 3 and above, a fixed-term appointment may be extended without any limit on its total duration. A fixed-term appointment shall not confer any right to either an extension or conversion into a permanent appointment.
>
> [...]
>
> (4) Fixed-term appointments may be converted into permanent appointments under conditions laid down by the appointing authority, such as the needs of the service, satisfactory performance and quotas."
>
> "50(1) [...]
>
> (2) Service on a fixed-term appointment shall also terminate on the expiry date specified in the letter of appointment or of any subsequent extension."

Additionally, the complainant's contract stated that it was of limited duration "because the work is of a short-term nature [and] [t]he Office expects that automation projects and other efficiency measures will enable it to rationalise its workloads and/or redeploy existing permanent staff". It further stated that her contract terminated at the end of its two-year term under the conditions specified therein and in any event on 31 October, that it "[would] under no circumstances be renewed [and that a] non-renewable contract [could not] be converted into permanent employment".

5. The Tribunal recalls the general legal principles applicable in a case in which an international organisation takes a decision not to extend a staff member's contract. It stated, in Judgment 4503, consideration 7, for example, that an international organisation enjoys wide discretion in deciding whether or not to renew a fixed-term appointment. The exercise of that discretion is subject to only limited review as the Tribunal respects the organisation's freedom to determine its own requirements and the career prospects of staff. However, the discretion is not unfettered and the Tribunal will set aside a decision if it was taken without authority or in breach of a rule of form or of procedure, or if it rested on an error of fact or of law, or if some essential fact was overlooked, or if there was abuse of authority, or if clearly mistaken conclusions were drawn from the evidence. The case law also states, in Judgments 4218, consideration 2, and 3444, consideration 3, for example, that an employee who is in the service of an international organisation on a fixed-term contract does not have a right to the renewal of the contract when it expires.

The case law further states that even though an organisation is generally under no obligation to extend a fixed-term contract or to reassign someone whose fixed-term contract is expiring, the reason for the non-renewal must be valid (and not an excuse to get rid of a staff member). The staff member must be notified of the decision within a reasonable time. An international organisation is under an obligation to consider whether or not it is in its interests to renew a contract and to make a decision accordingly: though such a decision is discretionary, it cannot be arbitrary or irrational; there must be a valid reason for it and the reason must be given. However, the Tribunal will not substitute its own assessment for that of the organisation (see, generally, Judgments 4860, consideration 13, and 4503, consideration 7).

6. The complainant challenges the impugned decision on grounds which the Tribunal summarises as follows:

(1) The President did not motivate his decision for departing from the Appeals Committee's opinion and the recommendations therein.

(2) The President erred by failing to hold in the impugned decision that the decision not to extend the complainant's contract was unlawful because the EPO gave invalid reasons for doing so.

(3) The President erred by failing to hold in the impugned decision that the Office did not follow the procedure contained in the President's announcement of 15 May 2020, according to which the President's approval was required for the decision not to extend her contract.

(4) The President erred by failing to hold in the impugned decision that the decision not to extend her contract was arbitrary and constituted an abuse of authority.

(5) The President erred by failing to hold in the impugned decision that the duty of care prevented the EPO from applying the hiring freeze to the complainant as an existing fixed-term employee and, in any event, the freeze was not consistently applied.

(6) The President erred by failing to hold in the impugned decision that the information allegedly transmitted to him to make the non-extension decision was incomplete and inaccurate.

(7) The Appeals Committee erred by imposing a limit on itself not to recommend that she be reinstated in the EPO with an extended contract because there was no legal basis that excluded it from making such a recommendation. The Appeals Committee thereby violated her right to have her internal appeal effectively reviewed.

7. As a precursor to considering the merits of this complaint, the Tribunal will address two procedural issues which the complainant raises.

8. The complainant applies for oral proceedings under Article 12, paragraph 1, of the Tribunal's Rules. She requests, "precautionarily", that the Tribunal calls as witnesses her reporting and countersigning officers, whom she had named in the internal appeal procedure (but who were not heard by the Appeals Committee) to confirm that those

officers had advocated that she be granted a five-year-extension of her contract. This request is rejected. It is unnecessary to call these officials to provide this evidence which the EPO does not dispute. The Tribunal also rejects the complainant's further requests, "precautionarily", to call as witnesses three members of the Central Staff Committee to confirm that at various meetings with staff representatives, especially at a General Consultative Committee meeting on 26 November 2020, the President had stated that no staff member who was on a fixed-term contract had to fear that their contract would have been terminated if their performance was satisfactory, especially in such difficult times created by the pandemic. The complainant states that this remains undisputed. Even assuming that the President made such a statement, it did not amount to a binding promise to the complainant such as to fetter his discretionary power not to extend her appointment when it expired. The Tribunal does not discern how calling these persons as witnesses will further advance the complainant's case. It follows that the Tribunal also rejects as unnecessary the complainant's further request that she be called as a witness "[s]ince the written explanations of the Defendant proved incomplete and evasive". In any event, the Tribunal considers that the parties provide sufficient submissions and documents to allow it to be properly informed of the arguments and the evidence to resolve the issues raised in this complaint. Her request is therefore rejected.

9. Regarding the second procedural issue, at the Appeals Committee's request, the EPO disclosed a redacted copy of the "Note to the President" during the internal appeal procedure.

The complainant now seeks the disclosure of the unredacted version of the "Note to the President", including any comments or approvals by VP4, as well as an explanation from the President about his involvement in the decision, in writing or in oral hearings. This, she states, is because the Note appears to be a draft and not a document that was in fact submitted to the President for his approval. She notes that on the first "non-redacted" page, no author of the Note is mentioned and there are no signatures or date in any of the fields on the last page. She states, additionally, that the Office did not specify in the appeal procedure who allegedly submitted the Note to the President, and, from her own work experience in the VP4 Office, such notes were always accompanied by VP4's comments and approval for one of the recommended options, but such a comment and the President's approval are not shown in the disclosed redacted Note. She therefore asks the Tribunal to require the EPO to disclose the unredacted Note which was submitted to the President and allegedly approved by him.

10. The EPO asks the Tribunal to reject this request. It submits, citing Judgment 3264, consideration 15, that while staff members are entitled to certain documents that are relevant to a challenged decision, they are not entitled to notes or memoranda evidencing the thought process or mechanism for reaching a decision or information protected by legal privilege. It further states that, in any event, the Note disclosed was the one that was submitted to the President on 27 July 2020, and that there is no "draft" tag on it, nor is there any indication that its substantive elements are preliminary or incomplete.

Given the case law concerning the disclosure of documents cited above, and the implication in the EPO's arguments which suggests that the Note disclosed was redacted so as not to disclose information that should not lawfully be disclosed, the complainant's request for the disclosure of the unredacted copy of the Note is rejected.

11. Regarding ground (1), the complainant submits that the President's final decision violates Article 110(4) of the Service Regulations which foresees that the appointing authority must generally follow the Appeals Committee's opinion and, if it chooses to depart from it, must give written reasons. She states that the President departed from the Appeals Committee's recommendations without providing valid reasons.

Citing Judgment 3732, consideration 2, the complainant argues that the Office's statement that the Appeals Committee exceeded its scope of review is unfounded and contrary to the Tribunal's case law and that, moreover, the reasons the President gave for rejecting the Appeals Committee's recommendations are superficial, incomplete, in part factually incorrect and fail to address key aspects identified by the Appeals Committee, thereby breaching the statutory obligation to provide proper reasons for deviating from its opinion. The complainant's submission is unfounded. The Tribunal is satisfied that the President explained the reasons for his departure from the conclusions and recommendations in the Appeals Committee's opinion. Ground (1) is therefore unfounded.

12. Regarding ground (2), the Tribunal recalls the Appeals Committee's reasoning, reproduced in consideration 1 of this judgment, which led it to conclude that the EPO failed to provide valid reasons for the challenged decision. The Appeals Committee had prefaced that reasoning and conclusion by citing Judgment 4503, consideration 7. It noted that although an international organisation is generally under no obligation to extend a fixed-term contract or to reassign someone whose fixed-term contract is expiring, unless it is specifically provided by a provision in the staff rules or regulations, the reason for the non-extension must be valid and not an excuse to get rid of a staff member who must be notified of the decision within a reasonable time. Additionally, an organisation is under an obligation to consider whether or not it is in its interests to renew a contract and to make a decision accordingly. Although such a decision is discretionary, it cannot be arbitrary or irrational. There must be a valid reason for it and the reason must be given.

13. In the impugned decision, the President correctly, in the Tribunal's view, disagreed with the Appeals Committee's conclusion that the reasons for the non-extension decision, including the Office's reliance on the COVID-19 pandemic hiring freeze, were general and not sufficiently specific to the complainant's case. Notably, the President further stated that it was undisputable that, at the material time, the Office took a conservative approach to hiring staff and/or extending appointments, with the priority being given to rationalising the workload and redeploying existing permanent staff. He also noted that the Office had provided these reasons setting out the key elements of the decision and that it was not obliged to itemize the comparison between the complainant's case and others, or to set out every point

considered in its decision-making process. The President also recalled that the complainant's job was not the only fixed-term appointment that was not extended because of the hiring freeze in her job group.

The President also correctly did not accept the Appeals Committee's statement that the Office "could not apply the hiring freeze as such to fixed-term employees", since they were owed a duty of care as staff members. This, he stated, was because the duty of care did not prevent the adoption of policies with respect to staffing issues, including the extension of fixed-term appointments. He stated, in effect, that this was the tenor of the contents of the 15 May 2020 announcement that the hiring freeze applied to recruitment and to "any staffing action". The Tribunal agrees and observes that this was also the tenor of the statement in the 31 July 2020 communication to the complainant, that as a consequence of the current economic climate following the COVID-19 pandemic, "all recruitments and hiring measures ha[d] been broadly put on hold" to allow for a continued review of the needed workforce capacity under the new circumstances. Thereunder, the Administration could have decided not to extend a staff member's contract upon its expiry if it thought this was in its operational interest at the time. Accordingly, the President correctly concluded in the impugned decision that the complainant's assertion that the freeze could not apply as such to the non-extension of fixed-term contracts was incorrect. Ground (2) is therefore unfounded.

14. It follows that the complainant's submission in ground (5), that the President erred by failing to hold in the impugned decision that the duty of care prevented the EPO from applying the hiring freeze to existing fixed-term employees is also unfounded. So too is her further argument in ground (5) that, in any event, the freeze was not consistently applied. As the EPO explains, in 2020 only two fixed-term appointments were not extended: the complainant's and that of a job group 2 staff member. After the hiring freeze was announced on 15 May 2020, four staff members in job group 6, none of whom were Management Assistants, had their contracts extended. The hiring freeze also resulted in another Management Assistant's contract not being extended in 2021, and three additional departing Management

Assistants were not replaced. According to the Office, the number of Management Assistants decreased from 117 in 2018 to 58 in 2022, reflecting efficiency and financial considerations underlying the contested decision. Workforce planning measures provided that external recruitment and staffing actions required the President's approval rather than being completely halted. Fixed-term extensions remained discretionary and were assessed individually. The complainant's contract was not extended based on anticipated economic decline, liability control, efficiency improvements, and workload rationalisation. Of the 22 new staff members hired between May and October 2020, 21 were appointed to vacancies published before the hiring freeze. Only four new persons were employed in the same job group as the complainant, none as Management Assistants.

The complainant's further argument in ground (5) to the effect that it was discriminatory for the EPO to have refused to consider her contract extension although it continued processing the recruitment of staff for 21 of 22 vacancies, on the ground that the vacancy notices were published before the hiring freeze, is also unfounded. The principle of equal treatment does not arise in this case as fixed-term employees were not in the same position as potential recruits, which was evidenced in this case by different procedures for recruitment and extension of appointments (see, in this regard, Judgment 3787, consideration 3).

15. Regarding ground (3), the Appeals Committee noted that the complainant doubted whether the Administration had observed its own procedure which required, in light of the 15 May 2020 announcement, the President to approve any staffing decisions, including the extension of contracts. The Appeals Committee then noted the Office's statement that the President was involved in the decision, notwithstanding this was not shown in the redacted disclosed "Note to the President". The Appeals Committee however stated that it had no reason to doubt the Office's statement. This was because the complainant did not submit any evidence to the contrary; it was administrative practice that non-extension decisions were communicated by Human Resources representatives and the 30 October 2020 communication by the Chief of Staff explicitly referred to the President. The Appeals Committee

concluded that these circumstances confirmed that the President was aware of the complainant's case and was in agreement with the decision not to extend her contract. It further concluded that the presumption of regularity applied in the present case. The President implicitly accepted this conclusion in the impugned decision, and, notwithstanding the complainant's submissions to the contrary, this conclusion was correct by analogy to the Tribunal's reasoning in Judgments 3605, consideration 15, and 2915, considerations 14 and 24. Ground (3) is therefore unfounded.

16. Ground (4), in which the complainant submits that the challenged decision was arbitrary and constituted an abuse of authority, is also unfounded. The complainant does not provide evidence of the nature that convinces the Tribunal that the decision was arbitrary and constituted an abuse of authority, rather than that it was due to the economic climate following the outbreak of the COVID-19 pandemic and its consequential decision to institute the hiring freeze it announced in May 2020 (see, by analogy, Judgment 5181, consideration 9).

17. To support ground (6), the complainant submits that the President erred by failing to hold in the impugned decision that the information on which he made the non-extension decision was deficient and could not support a lawful decision because it was incomplete and inaccurate. This, she argues, is because the Note and information were allegedly delivered to the President only days before her contract expired, contrary to established practice and the President's quality standards for such Notes; the Note did not clearly identify consultations with VP4; it did not mention the consultation with her superiors, and cast doubt on her performance; it also suggested she no longer met competency expectations, but failed to mention her positive appraisal since she was reassigned to VP4; it did not mention that she did not receive any appraisal report for three consecutive years; it failed to mention her early return from parental leave at the Office's request, her family situation and childcare constraints, and that the applicability and timing of the alleged hiring freeze were likewise not properly addressed. She insists that, moreover, the first option of the Note suggesting a five-year extension, was in line with the practice, as well

as the second option for an extension of two years and two months, while non-extension was listed only as a third option because of ongoing staffing needs. No explanation has been given for departing from the first two options.

18. In the impugned decision, the President rejected the Appeals Committee's conclusion that the challenged decision was unlawful because, in taking it, the President did not have the complainant's appraisal reports for the years 2016-2018, which possibly reduced her chance to have her appointment extended because the President was thereby not aware of her performance. The President recalled that the Note that gave rise to the challenged decision specifically stated that it could be deduced that the complainant had performed well and received a step increase in 2017. He stated that, accordingly, the non-extension decision did not rely on doubts regarding the complainant's performance, but was based on the evaluation of the EPO's business needs during the pandemic hiring freeze.

The President further noted the Appeals Committee's reference to the complainant's personal circumstances in relation to her role in the VP4 Department and its conclusion that it was inappropriate that the Office considered it in that context, but not to take those same circumstances (particularly the fact that she was the mother of two young children) into account when it took the challenged decision. The President stated that this incorrectly required the same reasoning to be applied to two distinct matters: the complainant's reassignment, which she did not challenge, and the decision not to extend her contract. Further, that there was no legal requirement for these considerations to be applied in both situations as they were not the same. The President stated that the complainant's personal situation, as well as the business needs of the Office, were carefully evaluated at the time the challenged decision was taken and that discretion was exercised with great care and there was no legal obligation to give precedence to the complainant's prevailing personal circumstances over the general interest of the EPO. The Tribunal finds that the President's reasoning on this issue, rather than that of the Appeals Committee, is in accord with the factual circumstances and the lawful exercise of the President's discretion to decide whether to extend the complainant's contract when it expired. Ground (6) is therefore also unfounded.

19. Ground (7) is also unfounded. As the non-extension decision is lawful, there is no need to elaborate on this ground.

20. The complainant claims moral damages for the lengthy internal appeals procedure. She lodged her internal appeal on 30 March 2021 and was informed of the final decision on 18 January 2024. Notably, that procedure had been put on hold in January, February and March 2021 to explore an amicable solution, unsuccessfully. However, the complainant argues that even so the delay of three and a half years to reach a final decision was "manifestly excessive" and left her, and her family in a long period of uncertainty, forcing them to relocate outside of Munich, where they resided, while still awaiting the final decision. She also argues that the delay "caused distress, anxiety and worries about personal and professional prospects". The Appeals Committee recommended awarding her 200 euros in moral damages for the legal uncertainty created by the unreasonable length of the appeals procedure. Whilst the EPO does not contest that the delay in the internal procedure was excessive, it submits that the claim is unfounded because "[a]s stated in the impugned decision, neither the complainant nor the [Appeals Committee] points to evidence proving the effect of the delay" on her, as the case law requires. The Tribunal is satisfied that she did and that in the circumstances, an award of 5,000 euros in moral damages for the delay would have been reasonable compensation. It will therefore so order. As the complainant only succeeds in a limited respect, she is entitled to a partial award of costs which the Tribunal sets in the amount of 3,000 euros. All other claims are dismissed.

DECISION

For the above reasons,

1. The EPO shall pay the complainant 5,000 euros in moral damages.
2. It shall also pay the complainant 3,000 euros in costs.
3. All other claims are dismissed.

In witness of this judgment, adopted on 15 May 2026, Mr Michael F. Moore, President of the Tribunal, Sir Hugh A. Rawlins, Judge, and Ms Hongyu Shen, Judge, sign below, as do I, René M. Vargas M., Registrar.

Delivered on 16 July 2026 by video recording posted on the Tribunal's Internet page.

MICHAEL F. MOORE

HUGH A. RAWLINS

HONGYU SHEN

RENÉ M. VARGAS M.