

The balance Contribution to the Resolution Fund corresponds to the periodic contributions that must be paid to the Fund, as stipulated in Decree-Law No 24/2013. The periodic contributions are determined by a base rate, established by the Bank of Portugal through regulatory instruments, to be applied in each year and which may be adjusted to the credit institution's risk profile on the basis of the objective incidence of those contributions. The period contributions affect the liabilities of the credit institutions members of the Fund, as per the article 10 of the referred Decree-Law, deducted from the liability elements that are part of the core capital and supplementary and from the deposits covered by the Deposit Guarantee Fund.

The balance Contribution to the Single Resolution Fund ('SRF') corresponds to the Bank's annual ex-ante contribution to support the application of resolution measures at EU level. The SRF has been established by Regulation (EU) No 806/2014 (the "SRM Regulation"). The SRF is financed from ex-ante contributions paid annually at individual level by all credit institutions within the Banking Union. Contributions to the SRF take into account the annual target level as well as the size and the risk profile of institutions.

In calculating the ex-ante contributions, the SRF applies the methodology as set out in the Commission Delegated Regulation (EU) 2015/63 and European Parliament and of the Council Regulation (EU) 806/2014. The annual contribution to the Fund is based on the institution's liabilities excluding own funds and covered deposits considering adjustments due to derivatives and intra group liabilities and on a risk factor adjustment that depends on the risk profile of the institution.

In accordance with Article 67(4) of SRM Regulation and in accordance with the Intergovernmental Agreement on the transfer and mutualisation of contributions to the SRF, the ex-ante contributions are collected by national resolution authorities and transferred to the SRF by 30 June of each year.

During 2019, the Bank delivered the amount of Euros 18,697,000 (2018: Euros 19,926,000) to the Single Resolution Fund. The total value of the contribution attributable to the Bank amounted to Euros 21,868,000 (2018: Euros 23,442,000) and the Bank opted to constitute an irrevocable commitment, through a constitution of a bailment for this purpose, in the amount of Euros 3,731,000 (2018: Euros 3,516,000), not having this component been recognised as a cost, as defined by the Single Resolution Council in accordance with the methodology set out in Delegated Regulation (EU) No 2015/63 of the Commission of 21 October 2014 and with the conditions laid down in the Implementing Regulation (EU) 2015/81 of the Council of 19 December 2014. In 2019 the total amount of irrevocable commitments constituted was Euros 13,860,000 (2018: Euros 10,129,000), are recorded in the balance Other assets - Deposit account applications (note 28).

7. Staff costs

The amount of this account is comprised of:

| | (Thousands of euros) | |
|--|----------------------|----------|
| | 2019 | 2018 |
| Remunerations | 297,636 | 276,395 |
| Mandatory social security charges | | |
| Post-employment benefits (note 45) | | |
| Service cost | (15,068) | (15,472) |
| Cost / (income) in the liability coverage balance | 4,515 | 3,046 |
| Cost with early retirement programs | 18,537 | 19,302 |
| Amount transferred to the Fund resulting from acquired rights unassigned related to the Complementary Plan | (684) | (380) |
| | 7,300 | 6,496 |
| Other mandatory social security charges | 75,979 | 75,510 |
| | 83,279 | 82,006 |
| Voluntary social security charges | 10,283 | 9,046 |
| Other staff costs | 9,854 | 9,432 |
| | 401,052 | 376,879 |

The balance Remuneration includes the amount of Euro 12,587,000 related to the distribution of profits to Bank's employees, as described in note 43.

As described in the policy accounting 1 S2, under the scope of the salary increases recorded in October 2019, with retroactive effect since 1 January 2018, agreed between the Bank and the Unions, the Group recorded the impact of Euros 3,910,000 (of which Euros 1,619,000 refer to retroactive payments of 2018) in Personnel costs.

In 2019, the balance Other staff costs includes severance payments in the amount of Euros 9,650,000 (2018: Euros 9,001,000), of which the highest amounts to Euros 1,313,000 (2018: Euros 500,000).

The average number of employees by professional category, at service in the Bank, is analysed as follows by category:

| | 2019 | 2018 |
|------------------------------|--------------|--------------|
| Top Management | 970 | 968 |
| Intermediary Management | 1,609 | 1,620 |
| Specific/Technical functions | 2,918 | 2,859 |
| Other functions | 1,552 | 1,525 |
| | 7,049 | 6,972 |

8. Other administrative costs

The amount of this account is comprised of:

| | 2019 | 2018 |
|--|----------------|----------------|
| Outsourcing and independent labour | 75,318 | 91,186 |
| Rents and leases | 6,134 | 27,717 |
| Other specialised services | 19,290 | 20,397 |
| Communications | 10,202 | 11,307 |
| Information technology services | 15,776 | 14,650 |
| Maintenance and related services | 8,225 | 7,528 |
| Water, electricity and fuel | 8,799 | 9,178 |
| Advertising | 7,887 | 9,487 |
| Advisory services | 15,170 | 6,775 |
| Transportation | 6,863 | 7,175 |
| Legal expenses | 4,215 | 5,326 |
| Travel, hotel and representation costs | 4,972 | 4,977 |
| Insurance | 2,518 | 2,685 |
| Consumables | 1,905 | 2,076 |
| Credit cards and mortgage | 1,160 | 1,247 |
| Training costs | 2,099 | 1,915 |
| Other supplies and services | 5,993 | 6,261 |
| | 196,526 | 229,887 |

The balance Rents and leases includes, in 2019, the amount of Euros 541.000 related to short-term lease contracts and the amount of Euros 1.540.000 related to lease contracts of low value assets, as described in the accounting policy 1 H and note 52. In 2018, the balance Rents and lease included the amount of Euros 25,741,000 related to rents paid regarding buildings used by the Bank as lessee, as described in accounting policy 1I.

Until 31 December 2018, in accordance with accounting policy 1H), under IAS 17, the Bank had various operating leases for properties and vehicles. The payments under these leases were recognised in the profit and loss during the life of the contract. As of 31 December 2018 the minimum future payments relating to operating leases not revocable, by maturity, were as follows:

| | 2018 | | |
|--------------|---------------|------------|---------------|
| | Properties | Vehicles | Total |
| Until 1 year | 16,484 | 95 | 16,579 |
| 1 to 5 years | 11,102 | 76 | 11,178 |
| Over 5 years | 6,129 | - | 6,129 |
| | 33,715 | 171 | 33,886 |