

The balance Contribution over the banking sector is estimated according to the terms of the Decree-Law no. 55-A/2010. The determination of the amount payable is based on: (i) the annual average liabilities deducted by core capital (Tier 1) and supplementary capital (Tier 2) and deposits covered by the Deposit Guarantee Fund, and (ii) notional amount of derivatives.

The balance Resolution Fund Contributions includes the periodic contributions that must be paid to the Portuguese 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 based on 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 Resolution Funds Contributions also includes the mandatory contributions made by Bank Millennium, S.A to the Bank Guarantee Fund in Poland.

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 consider 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) No 2015/63 and European Parliament and of the Council Regulation (EU) No 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 2018, the Group delivered the amount of Euros 21,185,000 (2017: Euros 18,246,000) to the Single Resolution Fund. The total value of the contribution attributable to the Group amounted to Euros 24,922,000 (2017: Euros 21,466,000) and the Group opted to constitute an irrevocable commitment, through a constitution of a bailment for this purpose, in the amount of Euros 3,737,000 (2017: Euros 3,220,000), 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.

7. Staff costs

The amount of this account is comprised of:

	(Thousands of euros)	
	2018	2017
Remunerations	457,617	428,122
Mandatory social security charges		
Post-employment benefits (note 51)		
Service cost	(15,800)	(16,391)
Net interest cost / (income) in the liability coverage balance	3,030	4,536
Cost with early retirement programs	19,303	13,957
Amount transferred to the Fund resulting from acquired rights unassigned related to the Complementary Plan	(380)	(1,452)
Changes in the Collective Labour Agreement	-	(39,997)
	6,153	(39,347)
Other mandatory social security charges	105,024	109,089
	111,177	69,742
Voluntary social security charges	10,370	8,225
Other staff costs	13,628	20,488
	592,792	526,577

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

	2018	2017
Portugal		
Top Management	992	995
Intermediary Management	1,653	1,679
Specific/Technical functions	2,940	2,963
Other functions	1,556	1,655
	7,141	7,292
Abroad	8,630	8,502
	15,771	15,794

8. Other administrative costs

The amount of this account is comprised of:

	2018	2017
		(Thousands of euros)
Water, electricity and fuel	15,442	15,416
Credit cards and mortgage	7,732	6,360
Communications	23,114	21,167
Maintenance and related services	16,042	17,130
Legal expenses	6,379	6,462
Travel, hotel and representation costs	9,424	8,070
Advisory services	21,051	18,119
Training costs	2,590	2,019
Information technology services	36,996	18,432
Consumables	4,759	4,429
Outsourcing and independent labour	77,070	77,022
Advertising	27,565	26,707
Rents and leases	73,446	96,276
Insurance	3,766	4,324
Transportation	10,157	7,850
Other specialised services	21,491	19,198
Other supplies and services	19,652	25,041
	376,676	374,022

The balance Rents and lease includes the amount of Euros 70,705,000 (2017: Euros 78,956,000) related to rents paid regarding buildings used by the Group as lessee.