



INAUGURAL SPEECH

CARLOS SAN BASILIO, CNMV CHAIR

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Minister for Economy, Trade and Enterprise, Governor of the Bank of Spain, Chair of Spain's National Commission on Markets and Competition, Commissioners, Authorities, Ladies and Gentlemen.

I would like to start by thanking the Minister for Economy, Trade and Enterprise, Carlos Cuerpo, for his trust by nominating me for a position holding great responsibility. The CNMV has been a constant throughout my professional career, whether as a co-legislator, as a supervisee or as a member of its Board, and I am well aware of the importance of its mandate for our country.

I would like to mention all the teams I have worked with throughout my professional career, and the leadership exercised by those who have been my bosses.

Following with the acknowledgements, I would like to thank Rodrigo Buenaventura and Montserrat Martínez for their support during this transition. I would also like to take this opportunity to congratulate them for such an immaculate job they have done these past years. Additionally, I would like to express my gratitude to Sebastián Albella and Ana María Martínez Pina, with whom I also had the opportunity to work closely.

On a more personal level, I would like to begin by remembering my parents, who have been gone for several years now, but whom I have not stopped thinking about for a single day since then, and even more so on a day like today.

I would also like to mention my four daughters, María, Beatriz, Ana, and Carla, who, like any other father would, I consider them to be no less than exceptional.

A special mention to my wife, Beatriz, who has, more than my support during my professional career, been a catalyst, by being the perfect example to follow and trusting me wholeheartedly.

This is our first public appearance since being appointed, and although I would not want to sound hasty, there are five commitments I will certainly remain faithful to during the next six years.

The first commitment will be with the CNMV's staff in Madrid, Barcelona and Bilbao. I will do everything in my power to guarantee they are able to carry out their functions under the best possible conditions. As an answer to the challenges faced by supervision and development of our capital markets, it is important for the CNMV to have the right staff, but also the necessary technical resources, professional skills and working conditions. Our predecessors have worked hard towards said direction with remarkable results, and both myself and the new Vice-Chair will keep this matter as one of our priorities.

The second commitment will be with investor protection, focusing on, but not limited to, retail investors. Significant progress has been made in this regard during recent years, but experience has taught us the risks that overconfidence entails. As for retail investors, the possible extension of their investment options to riskier, and potentially more profitable, products is desired, so long as the necessary supervisory mechanisms on issues such as advertising, transparency, and risk management are applied. In addition to having the right regulatory framework, we shall also delve deeper into issues such as financial education and the ongoing fight against financial fraud.

Along with protecting retail investors, which I consider to be a priority, my third commitment will be to continue contributing to create the necessary conditions for the securities markets to efficiently channel financial resources to our companies as an alternative and complementary means to bank financing. Revitalising and making the securities markets more appealing is a primary goal for growth. Together, we must be able to design mechanisms that encourage our companies to resort to the financial markets and citizens to channel their long-term investments into these markets. All of this for the benefit of society.

Technological development shall become our ally in this process, making supervision more efficient. In the same direction of facilitating the use of securities markets by companies and investors, a potential simplification of the regulatory framework is pursued, which does not imply regulating less but regulating better.

My fourth commitment will be to maintain a loyal collaboration with the rest of the authorities and bodies involved in the financial markets, both in Spain and abroad, and the defence of the CNMV's independence. We all share the goal of having efficient, transparent, and safe securities markets, and we already have a clear regulatory framework, whereby the authorities involved in the securities markets know where our powers begin and end. It is now my turn to defend the CNMV's powers, and I will do so with the same determination as my predecessors, by always collaborating closely with the rest of the authorities.

To conclude, I would like to thank you all for attending this event. Let's leave today's event as a first contact, but to finish with my commitments, I would like to convey to

you my willingness to listen to each and every one of the market participants, to which I will devote my time in the upcoming weeks. The CNMV must be aware of what happens in the market, as well as the companies, entrepreneurs and investors' needs. To this end, we will keep our doors open and our ears permanently listening.

Our role, our work, only makes sense if it is useful; if it contributes to the progress of our society. And for this to happen, we must provide answers to every demand and need. Only in this way can we continue to be the modern, efficient, and respected supervising entity that we want to be.

Thank you very much.