



INDEPENDENT AUDITORS' REPORT

To the Chairman and Board of the
BCRA (Central Bank of Argentina)
Registered office: Reconquista 266
City of Buenos Aires
Taxpayer identification number [CUIT]: 30-50001138-2

Report on the Financial Statements

We have audited the accompanying financial statements of the BCRA (Central Bank of Argentina) (hereinafter the "Bank" or "BCRA"), which comprise the balance sheet as of December 31, 2021, the statements of income, changes in equity and cash flows and cash equivalents for the fiscal year then ended and notes 1 to 8 and exhibits I to V presented as supplementary information.

The balances for, and any other information on, the fiscal year ended December 31, 2020 are an integral part of the financial statements referred to above and, therefore, must be considered in relation to the latter.

BCRA Board's and Management's Responsibility for the Financial Statements

The Board and management of the BCRA are responsible for preparing and fairly presenting the accompanying financial statements, in compliance with the accounting framework established in its "Accounting Policy Manual" allowing for the special characteristics of the BCRA's functions and the operations it conducts as monetary authority in accordance with section 34 of the BCRA's Charter. The "Accounting Policy Manual"—which was approved by the Board of the BCRA by Resolution No. 86 dated May 16, 2013, and updated by Resolution No. 2 dated January 2, 2020, as amended—implies that recordings differ from the professional accounting standards in force, as indicated in Note 3.1 to the accompanying financial statements. The Board and management of the BCRA are also responsible for implementing any internal control they may deem necessary to prepare the financial statements free of material misstatement whether due to errors or irregularities.

Auditors' responsibility

Our responsibility is to express an opinion on the accompanying financial statements based on our audit. We have conducted our audit in accordance with the standards set forth by Technical Resolution No. 37 of the Argentine Federation of Professional Councils of Economic Sciences (FACPCE) and the "Minimum Standards applicable to External Audits" issued by the BCRA, as deemed appropriate in view of the BCRA's specific characteristics. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures on a selective test basis to obtain audit evidence about the amounts and disclosures in the financial statements. We relied on our professional judgment to select the procedures to be performed, including assessing the risk that the financial statements may include material misstatements. When performing this risk assessment, we considered BCRA's existing internal controls on the preparation and presentation of financial statements for the purpose of selecting the adequate auditing procedures, but not of expressing an opinion on the efficiency of BCRA's internal controls. An audit also includes assessing the accounting principles used and the reasonableness of the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the BCRA as of December 31, 2021, the results of its operations, the changes in equity and cash flows and cash equivalents for the year then ended, in conformity with the accounting framework established in the “Accounting Policy Manual”, described in Note 3 to the accompanying financial statements.

Emphasis of matter

Without further modifying our opinion, we draw the attention of the users of this report to the following aspects included in the notes to the accompanying financial statements:

- a) As indicated in Note 3.1 to the accompanying financial statements, the BCRA has prepared its financial statements in accordance with the criteria set forth in the Accounting Policy Manual that considers the provisions applicable to the BCRA as established in its Charter and in other Laws and Executive Decrees at a national level (“BCRA accounting framework”), which means that such recording differs from the professional accounting standards in force as to the measurement of Non-transferable Bills and other Treasury Bills held in portfolio as indicated in Note 4.2.1.2.2, and the valuation of securities of the nonfinancial public sector that are not recorded at market value, and that are not subject to the provisioning guidelines as provided for by the BCRA accounting standards applicable to financial institutions, and
- b) as indicated in the third paragraph of Note 1 to the accompanying financial statements, Nature and Purpose of the Central Bank of Argentina, based on the special characteristics of its functions and operations as monetary authority, the National State secures the commitments undertaken by the BCRA in pursuit of its objectives within the applicable legal framework. These commitments mostly arise from transactions carried out with the National State, involving assets and liabilities, transactions on behalf the National State, included.

Other matters

Without further modifying our opinion, we draw your attention to the fact that the BCRA has prepared the accompanying financial statements with the aim of achieving a fair presentation in accordance with the BCRA accounting framework. However, given the existence of significant differences with the professional accounting standards referred to in the emphasis of matter paragraph, they differ from such presentation in accordance with professional accounting standards in force.

Report on other legal and regulatory requirements

In compliance with legal provisions in force, we report that:

- a. The accompanying financial statements arise from the BCRA’s accounting records, which were not transcribed into legalized books as it is not required by its Charter.
- b. In compliance with current professional standards and pursuant to UIF (Financial Information Unit) Resolution No. 285/09, the application of verification procedures to assess the existence and operation of internal control procedures against money laundering and terrorist financing is the exclusive responsibility of the Public External Control Agency (*Auditoría General de la Nación*).



- c. As of December 31, 2021, the accrued liability for retirement and pension contributions payable to the Argentine Pension Fund System arising from the accounting records was \$ 388,062,417, no amounts being due as of that date.

City of Buenos Aires, April 21, 2022.

KPMG

Andrea Pastrana
Partner