

ZKB Tracker Certificate Dynamic on a BLKB iQ Responsible Regio Basel Basket

24.09.2019 - Open End | Swiss Security Code 42 980 817

Adjustment of the product conditions

Summary

The product conditions of this certificate have been amended (marked in blue) and have been redeposited with the review body SIX Exchange Regulation AG

This Summary is to be understood as an introduction to the present Final Terms. Any investment decision in relation to the products must be based on the information contained in the Base Prospectus and in these Final Terms in their entirety and not on the Summary. In particular, each investor should consider the risk factors contained in these Final Terms and in the Base Prospectus.

The Issuer can only be held liable for the content of this Summary if the Summary is misleading, incorrect or contradictory when read together with the other parts of the Final Terms and the Base Prospectus.

Information on the securities
Type of product: ZKB Tracker Certificate Dynamic SSPA Category: Tracker Certificate (1300, acc. to the Swiss Derivative Map) ISIN: CH0429808170 Symbol: REGIOZ Issuer: Zürcher Kantonalbank Underlying: a BLKB iQ Responsible Regio Basel Basket Initial Fixing Date: 19 September 2019 Settlement Date: 24 September 2019 Final Fixing Date: --- (Open End) Redemption Date: --- (Open End) Type of settlement: cash
Information concerning the offer and admission to trading
Place of the offer: Switzerland Notional Amount/Denomination/Trading Units: CHF 32'961'200.00/CHF 1'648.06/1 Structured Product or multiples thereof Issue price: CHF 1'648.06 Selling restrictions: EEA, U.S.A./U.S. persons, United Kingdom, Guernsey Information on listing: Application to list on the SIX Swiss Exchange will be filed, the first provisory trading day will be 24 September 2019

New Issue

Product Category/Name

1. Product Description

Participation Product/Tracker Certificate (1300, according to the "Swiss Derivative Map" provided by the Swiss Structured Products Association)

CISA Notification

This is a Structured Product. It does not constitute a collective investment scheme within the meaning of the Swiss Federal Act on Collective Investment Schemes (CISA) and it is not subject to authorisation or supervision by FINMA. The issuer risk is borne by investors.

Investment Profile

The composition of the Underlying of this Structured Product is managed **dynamically** and **discretionary** over the course of its term.

The BLKB iQ Responsible Regio Basel Basket contains companies from the region **Northwest Switzerland**. The Basellandschaftliche Kantonalbank verifies whether there are companies in the universe that are affected by the BLKB sustainability exclusion criterias. These companies are excluded from the universe. The 18 largest companies (free-float-adjusted market capitalisation) can be selected for the basket considering market liquidity. An underweight or overweight is based on the ESG scoring.

Further information about the investment strategy – if available – can be obtained free of charge from Zürcher Kantonalbank, Bahnhofstrasse 9, 8001 Zürich, department VRIE or by way of e-Mail address documentation@zkb.ch.

Title Universe	The Title Universe consists of the basic universe of the SPI Index and must meet the following criteria: Head office must be located within the cantons of Aargau, Basel-Landschaft, Basel-Stadt and Solothurn and no investment company (Art. 65). The own listed securities of the Basellandschaftliche Kantonalbank (e.g. CH0001473559) are not part of the universe. The Basellandschaftliche Kantonalbank verifies whether there are companies among the titles of the universe that are affected by the BLKB sustainability exclusion criteria. These companies are excluded from the universe. The BLKB exclusion criteria with regards to sustainability criteria include, for example, climate change (promotion of fossil fuels, operation of fossil power plants, manufacture of aircraft/airlines, etc.), damage to health (tobacco, gambling, nuclear energy, etc.), ethics (weapons, adult entertainment, etc.) and reduction of biodiversity (genetically modified seeds, etc.). The BLKB sustainability criterias are continuously reviewed and adjusted if necessary. The Underlying constituents are listed at a recognized exchange (World Federation of Exchanges or FESE (Federation of European Securities Exchanges)). The current composition of the Underlying can be found under www.zkb.ch/strukturierteprodukte .
Rebalancing	The Investment Manager rebalances the portfolio composition rule-based, based on the ESG scoring, generally four times a year, in March, June, September and December. Extraordinary adjustments may be made at the discretion of the Investment Manager, also outside the defined dates. The Investment Manager considers only Underlying Components which provide sufficient liquidity and tradability. The Rebalancing is based on net prices of the Underlying Components (average of the net prices of the Underlying Components converted into the basket currency by the Issuer). The fixing period of the rebalancing may be extended by the Issuer in its sole discretion if it considers this necessary due to current market conditions (such as liquidity). The current basket composition is listed in the Annex to this termsheet.
Issuer	Zürcher Kantonalbank, Zurich
Rating of the Issuer	Standard & Poor's AAA, Moody's Aaa, Fitch AAA
Lead Manager, Paying Agent, Exercise Agent and Calculation Agent	Zürcher Kantonalbank, Zurich
Investment Manager	Basellandschaftliche Kantonalbank, Liestal
Symbol/ Swiss Security Code/ISIN	REGIOZ/ 42 980 817/CH0429808170
Notional Amount/Denomination/ Trading Units	CHF 32'961'200.00/CHF 1'648.06/1 Structured Product or multiples thereof
Number of Structured Products	Up to 20'000, with the right to increase
Issue Price	CHF 1'648.06 / 100.00% of Basket Value on the Initial Fixing Date
Currency	CHF

Underlying per Initial Fixing Date

Component	ISIN / Bloomberg	Related Exchange	*Currency / Initial Fixing Value	Weight in %	No. of Shares/ Amount
Roche Holding Ltd	CH0012032048 /ROG SE	SIX Swiss Exchange	CHF 283.0000	16.06	0.935261
Novartis AG	CH0012005267 /NOVN SE	SIX Swiss Exchange	CHF 85.8800	13.92	2.671288
Lonza Group AG	CH0013841017 /LONN SE	SIX Swiss Exchange	CHF 346.1000	6.38	0.303803
Valora Holding AG	CH0002088976 /VALN SE	SIX Swiss Exchange	CHF 271.0000	6.38	0.387994
Bell AG	CH0315966322 /BELL SE	SIX Swiss Exchange	CHF 262.5000	5.87	0.368538
Clariant AG	CH0012142631 /CLN SE	SIX Swiss Exchange	CHF 20.0500	5.87	4.825000
Dufry AG	CH0023405456 /DUFN SE	SIX Swiss Exchange	CHF 84.1400	5.35	1.047912
Straumann Holding AG	CH0012280076 /STMN SE	SIX Swiss Exchange	CHF 810.6000	5.35	0.108773
Basler Kantonalbank	CH0009236461 /BSKP SE	SIX Swiss Exchange	CHF 71.0000	4.64	1.077043
Idorsia AG	CH0363463438 /IDIA SE	SIX Swiss Exchange	CHF 25.4200	4.64	3.008264
Bachem Holding AG	CH0012530207 /BANB SE	SIX Swiss Exchange	CHF 145.0000	4.12	0.468277
Bâloise-Holding AG	CH0012410517 /BALN SE	SIX Swiss Exchange	CHF 174.6000	4.12	0.388890
Basilea Pharmaceutica AG	CH0011432447 /BSLN SE	SIX Swiss Exchange	CHF 45.2200	4.12	1.501551
Medartis Holding AG	CH0386200239 /MED SE	SIX Swiss Exchange	CHF 43.8000	3.52	1.324470
Evolva Holding AG	CH0021218067 /EVE SE	SIX Swiss Exchange	CHF 0.1690	3.22	314.0094 65
Polyphor AG	CH0106213793 /POLN SE	SIX Swiss Exchange	CHF 6.5100	3.22	8.151705
Santhera Pharmaceuticals Holding AG	CH0027148649 /SANN SE	SIX Swiss Exchange	CHF 12.0600	3.22	4.400298

* Local taxes, transactions fees and foreign commissions are, if applicable, included in the Initial Fixing Value of each component and are thus borne by the holders of the Structured Product. This applies particularly, though not exclusively, when exercising rights associated with the Structured Product and/or a Rebalancing.

Basket Value

CHF 1'648.06 on Initial Fixing Date

Ratio

1 ZKB Tracker Certificate Dynamic represents 1 Underlying

Dividend Payments

The Investor will receive a payment as compensation for the dividend payment of the Structured Product. The compensation payment takes place annually on 30 June, for the first time retroactively on 30 June 2020, (modified following business day convention). The compensation payment will correspond to 100.00% of the net dividend payment.

Initial Fixing Date

19 September 2019

Settlement Date

24 September 2019

Redemption right of the Issuer

The Issuer has the right to redeem the outstanding Structured Products quarterly on the 15th day of March, June, September and December (fixing date; modified following), for the first time on 16 December 2019. On the fixing date, the redemption amount is determined, which is governed by the information under the section Redemption Method. The Issuer may, under its sole authority, extend the Fixing Date if it deems this necessary due to current market conditions such as liquidity. The announcement and thus the declaration of intent to exercise the Redemption right is made with a notice period of 20 banking days via the official publication channel of the SIX Swiss Exchange. No statement of reasons is required. The redemption will be executed with a value date of 5 bank working days after the fixing date (Redemption Date).

Right to return of the Investor

In addition to the possibility of selling the Structured Products in the secondary market, the investor has the right to return the product quarterly per 15th day of the months March, June, September and December (fixing date; modified following) to the Issuer, for the first time on 16 December 2019. On the fixing date, the redemption amount is determined, which is governed by the information under the section Redemption Method. The Issuer may, under its sole authority, extend the Fixing Date if it deems this necessary due to current market conditions such as liquidity. The declaration of intent to exercise the Right to return must be received no later than 5 banking days before the respective fixing date (exercise date) by Zürcher Kantonalbank and must be sent to the following address: by letter post to Zürcher Kantonalbank, Sales Structured Products, IHHV, P.O. Box, 8010 Zürich or by email to derivate@zkb.ch. The repayment will be executed with a value date of 5 bank working days after the fixing date (Redemption Date).

Should the Structured Products of the Investor be deposited in a custodian bank, the Investor needs additionally and in due time advise/inform his custodian bank according the notice of redemption.

Initial Fixing Level

19 September 2019, Net price of the components of the Underlying on a best effort basis (the Issuer has the right to expand the Initial Fixing period if required by current market conditions e.g. liquidity).

Local taxes, transactions fees and foreign commissions are included in the Initial Fixing Value of each component if applicable.

Redemption Method

On Redemption Date, investors receive in cash for every certificate 100% of the Underlying as defined on the Final Fixing Date and according to the following formula:

$$\sum_{i=1}^N S_{i,T} \times W_{i,T} - \text{Fees}$$

where

$S_{i,T}$ = Value of the Component i of the Underlying on Final Fixing Date

$W_{i,T}$ = Weighting of the Component i of the Underlying (number of Shares) on Final Fixing Date

Fees = Annual Fee and Rebalancing Fees

T = Final Fixing Date

If capital events that were unknown at the time of issue take place during the life of the ZKB Tracker Certificate Dynamic, they shall be taken into account by adjusting the weighting of the affected Component of the Underlying accordingly.

Listing

Application to list on the SIX Swiss Exchange will be filed, the first provisory trading day will be 24 September 2019.

Annual Fee

1.00% p.a. The Annual Fee will be charged based on the value of the Structured Product and is pro rata temporis included in the trading price. Of the Annual Fee, the Issuer receives 0.25% p.a. and the Investment Manager receives 0.75% p.a. for their relevant duties.

Rebalancing Fee

A Rebalancing Fee of 0.10% of the transaction value will be charged per Rebalancing.

Clearing House

SIX SIS AG/Euroclear/Clearstream

Distribution fees

No distribution fees in the form of a discount on issue price, reimbursement of a part of the issue price or other one-off and/or periodic charges are paid out to one or several distribution partners of this Structured Product.

Sales: 044 293 66 65

SIX Telekurs: .zkb

Reuters: ZKBSTRUCT

Internet: www.zkb.ch/strukturierteprodukte

Bloomberg: ZKBY <go>

Key Elements of the Product

In terms of value, buying a ZKB Tracker Certificate Dynamic is equivalent to buying the Underlying less any Fees. A single, low-cost transaction gives investors the opportunity to participate fully in the performance of the Underlying. Dividend Payments of Underlying components are paid out to the investor annually. Redemption is based on the weighted value of Underlying components on the Fixing Date.

Taxes

The Issuer reports the taxable factors (change to previous year's value) divided in the components income and capital gain to the Swiss Federal Tax Administration on 31 October each year. The income part is subject to Swiss income tax for private investors with Swiss tax domicile as per reporting date. The capital gain part is not subject to Swiss income tax. The product is not subject to Swiss withholding tax. The Federal securities transfer stamp tax is not levied on secondary market transactions. This product may be subject to additional withholding taxes or duties, such as related to FATCA, Sect. 871(m) U.S. Tax Code or foreign financial transaction taxes. Any payments due under this product are net of such taxes or duties.

The information above is a summary only of the Issuer's understanding of current law and practice in Switzerland relating to the taxation of Structured Products. The relevant tax law and practice may change. The Issuer does not assume any liability in connection with the above information. The tax information only provides a general overview and can not substitute the personal tax advice to the investor.

Documentation

This document is a non-binding English translation of the Final Terms (Endgültige Bedingungen) published in German and constituting the Final Terms in accordance with article 45 of the Federal Act on Financial Services (FinSA). The English language translation is provided for convenience only.

The binding German version of these Final Terms supplements the Base Prospectus approved by the SIX Swiss Exchange and published in German by the Issuer on 16 November 2020.

These Final Terms constitute a Simplified prospectus pursuant to article 5 para. 2 CISA in the version dated 1 March 2013. Together with the Base Prospectus (and together with any supplements) these Final Terms form the product documentation for this issue.

If this Product was the first time issued under the Base Prospectus of 16 November 2020, these Final Terms must be read in conjunction with the General Terms of the Securities (Allgemeine Bedingungen der Derivate), the Additional Terms and the Information on the Underlyings in the Base Prospectus of 16 November 2020. If this Product has been issued prior to the date of the Base Prospectus of 16 November 2020, these Final Terms shall be read in conjunction with the Base Prospectus of 16 November 2020 and together with the Existing Terms of the Products from the version of the Issuance Programme or Base Prospectus in force at the time of issuance that has been incorporated by reference in this Base Prospectus.

The Base Prospectus of the Issuer dated 16 November 2020 will cease to be valid on 16 November 2021. From and including this date, these Final Terms must be read together with the latest valid version of the Base Prospectus of the Issuer (including the information incorporated by reference into the latest valid version of the Base Prospectus from the Base Prospectus under which the Products the first time were issued), which follows the Base Prospectus of 16 November 2020.

Except as otherwise defined in these Final Terms, the terms used in these Final Terms have the meaning given to them in the Base Prospectus. In case of discrepancies between information or the provisions in these Final Terms and those in the Base Prospectus, the information and provisions in these Final Terms shall prevail. In the event of a listing of the products, the product documentation will be adapted, if and to the extent necessary, in accordance with the requirements of the relevant exchange. The present products will be issued in the form of uncertificated securities (Wertrechte) and registered as book-entry securities (Bucheffekten) with SIX SIS AG. Investors have no right to require the issuance of any certificates or any proof of evidence for the products.

These Final Terms and the Base Prospectus can be ordered free of charge at Zürcher Kantonalbank, Bahnhofstrasse 9, 8001 Zurich, dept. VRIE or by e-mail at documentation@zkb.ch. They are also available on <https://www.zkb.ch/finanzinformationen>.

Information on the Underlying

Information on the performance of the Underlying/a component of the Underlying is publicly available on www.bloomberg.com. Current annual reports are published on the website of the respective business entity. The transfer of the Underlying/a component of the Underlying is conducted in accordance with their respective statutes.

Notices

Any notice by the Issuer in connection with these Structured Products, in particular any notice in connection with modifications of the terms and conditions will be validly published on the website <https://zkb-finance.mdgms.com/products/stp/index.html> under the relevant Structured Product. The Swiss security code search button will lead you directly to the relevant Structured Product. The notices will be published in accordance with the rules issued by SIX Swiss Exchange for IBL (Internet Based Listing) on the website <https://www.six-exchange-regulation.com/en/home/publications/official-notices.html>

Governing Law/Jurisdiction

Swiss Law/Zurich

2. Profit and Loss Expectations after Year 1

Profit and Loss Expectations after Year 1

Basket		Redemption	
Value	Percent	ZKB Tracker Certificate Dynamic	Performance %
CHF 1400.85	-15.00%	CHF 1386.84	-15.85%
CHF 1483.25	-10.00%	CHF 1468.42	-10.90%
CHF 1565.66	-5.00%	CHF 1550.00	-5.95%
CHF 1648.06	+0.00%	CHF 1631.58	-1.00%
CHF 1730.46	+5.00%	CHF 1713.16	3.95%
CHF 1812.87	+10.00%	CHF 1794.74	8.90%
CHF 1895.27	+15.00%	CHF 1876.32	13.85%

Source: Zürcher Kantonalbank

The performance of the ZKB Tracker Certificate Dynamic is analog to the performance of the Underlying less any Fees. Rebalancing Fees are not included in the table above.

The figures in the table above are valid after Year 1 only and cannot be considered as a price indication for the present Structured Product during its lifetime. The price quoted in the secondary market can differ substantially from the table above.

3. Material Risks for Investors

Credit Risk Relating to Issuer

Obligations under these Structured Products constitute direct, unconditional and unsecured obligations of the Issuer and rank pari passu with other direct, unconditional and unsecured obligations of the Issuer. The value of the Structured Product does not only depend on the performance of the Underlying and other developments in the financial markets, but also on the solvency of the Issuer, which may change during the term of this Structured Product.

Specific Product Risks

Structured Products are complex financial instruments, which entail considerable risks and, accordingly, are only suitable for investors who have the requisite knowledge and experience and understand thoroughly the risks connected with an investment in these structured products and are capable of bearing the economic risks. ZKB Tracker Certificate Dynamic is an investment product whose price fluctuates to the same degree as the Underlying less any Fees. Depending on price trends, the price of a ZKB Tracker Certificate Dynamic could fall below the Issue Price. The risk profile of the ZKB Tracker Certificate Dynamic corresponds to that of the Underlying. The ZKB Tracker Certificate Dynamic is denominated in CHF. If the investor's reference currency differs from the CHF, the investor bears the risk between the CHF and his reference currency.

4. Additional Terms

Modifications

If an extraordinary event as described in Section IV of the Issuance Programme occurs in relation to the Underlying/a component of the Underlying or if any other extraordinary event occurs, which makes it impossible or particularly cumbersome for the Issuer, to fulfill its obligations under the Structured Products or to calculate the value of the Structured Products, the Issuer shall at its own discretion take all the necessary actions and, if necessary may modify the terms and conditions of these Structured Products at its own discretion in such way, that the economic value of the Structured Products after occurrence of the extraordinary event corresponds, to the extent possible, to the economic value of the Structured Products prior to the occurrence of the extraordinary event. Specific modification rules for certain types of Underlyings stated in Section IV of the Issuance Programme shall prevail. If the Issuer determines, for whatever reason, that an adequate modification is not possible, the Issuer has the right to redeem the Structured Products early.

Market Disruptions

Compare specific provisions in the Issuance Programme.

Selling Restrictions

EEA, U.S.A./U.S. persons, GB, Guernsey

Prudential Supervision

As a bank within the meaning of the Swiss Federal Act on Banks and Savings Banks (BankG; SR 952.0) and a securities dealer within the meaning of the Swiss Federal Act on Securities Exchanges and Securities Trading (BEHG; SR 954.1), Zürcher Kantonalbank is subject to the prudential supervision of FINMA, Laupenstrasse 27, CH-3003 Bern, <http://www.finma.ch>.

Recording of Telephone Conversations

Investors are reminded that telephone conversations with trading or sales units of Zürcher Kantonalbank are recorded. Investors, engaging in telephone conversations with these units provide their tacit consent to the recording of their conversations.

Further Information

This document constitutes neither an offer nor a recommendation or invitation to purchase financial instruments and can't replace the individual investor's own judgement. The information contained in this document does not constitute investment advice but is intended solely as a product description. An investment decision should in any case be made on the basis of these Final Terms and the issuance programme. Particularly, before entering into a transaction, the investor should, if necessary with the assistance of an advisor, examine the conditions for investment in the Product in consideration of his personal situation with regard to legal, regulatory, tax and other consequences. Only an investor who is aware of the risks of the transaction and has the financial capacity to bear any losses should enter into such transactions.

Material Changes

Since the end of the last financial year or the date of the interim financial statements, there have been no material changes in the assets, financial or revenue position of the Issuer.

Responsibility for the Final Terms

Zürcher Kantonalbank, Zurich, assumes responsibility for the content of these Final Terms and hereby declares that, to its knowledge, the information contained in these Final Terms is correct and no material circumstances have been omitted.

Zurich, 19 September 2019, last update on 2 April 2024

The historicised capital events from December 2019 to December 2020 can be accessed via <https://www.zkb.ch/finanzinformationen> The securities search function can be used to directly access the product in question and the 'Notices' tab.