

ZKB Tracker Certificate on AI & Robotics Basket (EUR)

16.12.2022 - 16.12.2024 | Swiss Security Code 121 823 261

Summary

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 SSPA Category: Tracker Certificate (1300, acc. to the Swiss Derivative Map) ISIN: CH1218232614 Symbol: AIROEZ Issuer: Zürcher Kantonalbank Underlying: AI & Robotics Basket (EUR) Initial Fixing Date: 12 December 2022 Settlement Date: 16 December 2022 Final Fixing Date: 12 December 2024 Redemption Date: 16 December 2024 Type of settlement: cash
Information concerning the offer and admission to trading
Place of the offer: Switzerland Notional Amount/Denomination/Trading Units: EUR 25'000'000.00/EUR 100.00/1 structured product or multiples thereof Issue price: EUR 100.00 Information on listing: Application to list on the SIX Swiss Exchange will be filed, planned first trading day will be 16 December 2022

Final Terms

1. Product Description

Product Category/Name

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

Regulatory Notification

This product 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.

Issuer

Zürcher Kantonalbank, Zurich

Lead Manager, Paying Agent, Exercise Agent and Calculation Agent

Zürcher Kantonalbank, Zurich

Rating of the Issuer

Standard & Poor's AAA, Moody's Aaa, Fitch AAA

Symbol/ Swiss Security Code/ISIN

AIROEZ/
121 823 261/CH1218232614

Notional Amount/Denomination/ Trading Units

EUR 25'000'000.00/EUR 100.00/1 structured product or multiples thereof

Number of structured products

Up to 250'000, with the right to increase

Issue Price

EUR 100.00/103.73% of Basket Value on the Initial Fixing Date

Currency	EUR					
Underlying	Component	ISIN / Bloomberg	Related Exchange	*Currency / Initial Fixing Value	Weight in %	No. of Shares
	ABB Ltd	CH0012221716 / ABBN SE	SIX Swiss Exchange	CHF 29.04436	5.00	0.163743
	Broadcom Inc	US11135F1012 / AVGO UW	NASDAQ GS	USD 556.71349	5.00	0.009139
	Cognex Corp	US1924221039 / CGNX UW	NASDAQ	USD 49.81747	5.00	0.102128
	Daifuku Co Ltd	JP3497400006 / 6383 JT	Tokyo	JPY 6861.02900	5.00	0.102081
	Dassault Systemes SA	FR0014003TT8 / DSY FP	Euronext Paris	EUR 35.42031	5.00	0.136080
	Datadog Inc	US23804L1035 / DDOG UW	NASDAQ	USD 77.00155	5.00	0.066073
	Emerson Electric Co	US2910111044 / EMR UN	New York Stock Exchange	USD 96.16442	5.00	0.052907
	Fanuc Corp	JP3802400006 / 6954 JT	Tokyo	JPY 21083.16200	5.00	0.033220
	Hitachi Ltd	JP3788600009 / 6501 JT	Tokyo	JPY 7052.05765	5.00	0.099316
	Honeywell International Inc	US4385161066 / HON UW	NASDAQ	USD 214.53218	5.00	0.023716
	Illumina Inc	US4523271090 / ILMN UW	NASDAQ	USD 208.55128	5.00	0.024396
	Intuitive Surgical Inc	US46120E6023 / ISRG UW	NASDAQ	USD 273.88108	5.00	0.018576
	Mobileye Global Inc	US60741F1049 / MBLY UW	NASDAQ	USD 33.05496	5.00	0.153918
	NVIDIA Corp	US67066G1040 / NVDA UW	NASDAQ	USD 175.37630	5.00	0.029010
	OMRON Corp	JP3197800000 / 6645 JT	Tokyo	JPY 6989.04820	5.00	0.100211
	Palantir Technologies Inc	US69608A1088 / PLTR UN	New York Stock Exchange	USD 7.29109	5.00	0.697804
	PTC Inc	US69370C1009 / PTC UW	NASDAQ	USD 124.10861	5.00	0.040994
	Rockwell Automation Inc	US7739031091 / ROK UN	New York Stock Exchange	USD 264.48967	5.00	0.019236
	YASKAWA Electric Corp	JP3932000007 / 6506 JT	Tokyo	JPY 4625.69375	5.00	0.151411
	Zebra Technologies Corp	US9892071054 / ZBRA UW	NASDAQ	USD 258.13872	5.00	0.019709

* 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	EUR 96.40 on Initial Fixing Date
Ratio	1 ZKB Tracker Certificate represents 1 Underlying
Dividend Payments	No dividends will be paid out. The dividend as a whole will be reinvested into the structured product in the form of a net dividend.
Initial Fixing Date	12 December 2022
Settlement Date	16 December 2022
Redemption right of the Issuer	The Issuer has the right to redeem the outstanding structured products to any bank working day (Fixing day). On the fixing date, the redemption amount is determined, which is governed by the information under the section Redemption Method. The Issuer has the right to expand the time period for the Final Fixing if required by current market conditions e.g. liquidity. The announcement and thus the declaration of intent to exercise the Redemption right is made with a notice period of 366 calendar days (calculated as the number of calendar days between the day on which the declaration of intent is made and the Fixing date) via the official publication channel of the SIX Swiss Exchange and on the website of Zürcher Kantonalbank. 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 on any bank business day (Fixing date). On the Fixing date, the Redemption amount is determined, which is governed by the information under the section Redemption Method. The Issuer has the right to expand the time period for the Final Fixing if required by current market conditions e.g. liquidity. The declaration of intent to exercise the Right to return must be received no later than 366 calendar days before the respective Fixing date (calculated as the number of calendar days between the date of receipt of the declaration of intent by Zürcher Kantonalbank and the Fixing date) 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.

Last Trading Date 11 December 2024

Final Fixing Date 12 December 2024
The Issuer has the right to expand the time period for the Final Fixing if required by current market conditions e.g. liquidity.

Redemption Date 16 December 2024

Initial Fixing Level Closing prices of the components of the Underlying on Related Exchanges, on 12 December 2022
Local taxes, transactions fees and foreign commissions are included in the Initial Fixing Value of each component if applicable.

Final Fixing Level Closing prices of the components of the Underlying on Related Exchanges, on 12 December 2024
Local taxes, transactions fees and foreign commissions are included in the Final Fixing Value of each component if applicable.

Redemption Method On Redemption Date, investors receive for every certificate 100% of the Underlying. The net asset value is calculated using the following formula on each trading day t:

$$IV_t = IV_{t-1} + IV_{t-1} * \sum_{i=1}^n \left[w_t^i * \left(\frac{BW_t^i - BW_{t-1}^i}{BW_{t-1}^i} * \frac{FX_t^i}{FX_{t-1}^i} + FXRoll_{t-1,t}^i \right) \right]$$

Where:

IV_t Intrinsic value on trading day t ($IV_0 = \text{EUR } 96.40$)

n Number of Underlyings

w_t^i Weight in % of Underlying i at time t

BW_t^i Price of Underlying i at time t

FX_t^i Price of the currency of Underlying i at time t

$FXRoll_{t-1,t}^i$ Net interest income / interest expense in % of FX Rolls between time t-1 and t in the currency of underlying component i

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

Listing/Secondary market Application to list on the SIX Swiss Exchange will be filed, planned first trading day will be 16 December 2022.

Clearing House SIX SIS AG/Euroclear/Clearstream

Distribution fees Distribution fees in the form of a discount on the Issue price, reimbursement of a part of the Issue price or other one-off and/or periodic charges may have been paid to one or several distribution partners of this structured product. Distribution fees paid to distribution partners may amount up to 1.5% p.a..

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Key Elements of the product	<p>In terms of value, buying a ZKB Tracker Certificate is equivalent to buying the Underlying. A single, low-cost transaction gives investors the opportunity to participate fully in the performance of the Underlying. Dividend Payments of underlying components in the basket are paid out to the investor by means of Dividend reinvestment in the Underlying. Redemption is based on the weighted value of Underlying components on the Final Fixing Date.</p>
Taxes	<p>For private investors with Swiss tax domicile, the reinvested dividends are subject to Swiss income tax at maturity. 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.</p> <p>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.</p>
Documentation	<p>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) and a simplified prospectus pursuant to article 5 para. 2 CISA in the version dated 1 March 2013. The English language translation is provided for convenience only.</p> <p>The binding German version of these Final Terms together with the applicable Base prospectus of the Issuer for the issuance of structured products approved by SIX Exchange Regulation Ltd (together with any supplements thereto, the "Base prospectus") constitute the product documentation for the present issue.</p> <p>If this structured product was offered for the first time prior to the date of the respective applicable Base prospectus, the further legally binding product terms and conditions (the "Relevant Conditions") are derived from the Base prospectus or issuance program which was in force at the time of the first offer. The information on the Relevant Conditions is incorporated by reference of the respective Base prospectus or issuance program into the applicable Base prospectus in force at the time of issuance.</p> <p>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 or the Relevant Conditions. In case of discrepancies between information or the provisions in these Final Terms and those in the Base prospectus or the Relevant Conditions, the information and provisions in these Final Terms shall prevail. The present products will be issued in the form of uncertificated securities (Wertrechte) and registered as book-entry securities (Bucheffekten) with SIX SIS Ltd. 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.</p>
Information on the Underlying	<p>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.</p>
Notices	<p>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://www.zkb.ch/finanzinformationen 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</p>
Governing Law/Jurisdiction	<p>Swiss Law/Zurich</p>

2. Profit and Loss Expectations at Maturity

Profit and Loss Expectations at Maturity

ZKB Tracker Certificate

Basket		Redemption	
Value	Percent	ZKB Tracker Certificate	Performance %
EUR 38.56	-60.00%	EUR 38.56	-61.44%
EUR 57.84	-40.00%	EUR 57.84	-42.16%
EUR 77.12	-20.00%	EUR 77.12	-22.88%
EUR 100.00	+3.73%	EUR 100.00	0.00%
EUR 115.68	+20.00%	EUR 115.68	15.68%
EUR 134.96	+40.00%	EUR 134.96	34.96%
EUR 154.24	+60.00%	EUR 154.24	54.24%

Source: Zürcher Kantonalbank

The performance of the ZKB Tracker Certificate is analog to the performance of the Underlying. Therefore, the investor may suffer a partial or total loss.

The figures in the table above are valid at Maturity 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. For presentation purposes it is assumed, that the currency of the Underlying remains constant during the lifetime of the present structured product.

3. Material Risks for Investors

Issuer Risk

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 is an investment product whose price fluctuates to the same degree as the Underlying. Depending on price trends, the price of a ZKB Tracker Certificate could fall below the Issue Price. The risk profile of the ZKB Tracker Certificate corresponds to that of the Underlying. The ZKB Tracker Certificate is denominated in EUR. If the investor's reference currency differs from the EUR, the investor bears the risk between the EUR and his reference currency.

4. Additional Terms

Modifications

If an extraordinary event as described in the base prospectus 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 products or to calculate the value of the products, the Issuer shall at its own discretion take all the necessary actions and, if necessary may modify the terms and conditions of these products at its own discretion in such way, that the economic value of the products after occurrence of the extraordinary event corresponds, to the extent possible, to the economic value of the products prior to the occurrence of the extraordinary event. Specific modification rules for certain types of Underlyings stated in the base prospectus shall prevail. If the Issuer determines, for whatever reason, that an adequate modification is not possible, the Issuer has the right to redeem the products early.

Market Disruptions

Compare specific provisions in the base prospectus.

Substitution of Underlying

During the term of the structured product, changes in or substitution of the Underlying by the Calculation Agent can occur. In this case, it cannot be ruled out that such changes or substitutions will negatively affect the value of the structured product. Likewise, it cannot be ruled out that in the case of a structured product based on an index that changes in the composition of the index as a result of change or substitutions in respect of individual index components, for example, as a result of the withdrawal or addition of individual securities, may negatively influence the price of the index and accordingly the value of the structured product.

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 firm within the meaning of the Swiss Federal Act on Financial Institutions (FinlAG; SR 954.1), Zürcher Kantonalbank is subject to the prudential supervision of FINMA, Laupenstrasse 27, CH-3003 Bern, <https://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 base prospectus. 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, 6 December 2022, last update on 13 December 2022