

# ZKB Cushion Downside Participation Certificate with Cap SMI® Index

22.03.2024 - 22.09.2025 | Swiss Security Code 132 910 653

## 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.

<b>Information on the securities</b>
<b>Type of product:</b> ZKB Cushion Downside Participation Certificate with Cap <b>SSPA Category:</b> Outperformance Certificate with Capped Participation Feature (1310, acc. to the Swiss Derivative Map) <b>ISIN:</b> CH1329106533 <b>Symbol:</b> CDSMZZ <b>Issuer:</b> Zürcher Kantonalbank Finance (Guernsey) Limited <b>Underlying:</b> SMI®Index <b>Initial Fixing Date:</b> 15 March 2024 <b>Settlement Date:</b> 22 March 2024 <b>Final Fixing Date:</b> 15 September 2025 <b>Redemption Date:</b> 22 September 2025 <b>Type of settlement:</b> cash <b>Upside Participation:</b> 100.00% from Exercise Price on <b>Downside Participation:</b> 50.00% from Exercise Price on <b>Cap Level:</b> 115.00% of Initial Fixing Level
<b>Information concerning the offer and admission to trading</b>
<b>Place of the offer:</b> Switzerland <b>Notional Amount/Denomination/Trading Units:</b> CHF 20'000'000.00/CHF 100.00/1 structured product or multiples thereof <b>Issue price:</b> CHF 100.00 <b>Information on listing:</b> Application to list on the SIX Swiss Exchange will be filed, planned first trading day will be 22 March 2024

## Final Terms

### 1. Product Description

#### Product Category/Name

Participation/Outperformance Certificate with Capped Participation Feature (1310\*, 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 Finance (Guernsey) Limited, Saint Peter Port, Guernsey  
 Zürcher Kantonalbank Finance (Guernsey) Limited, Guernsey is a wholly owned and fully consolidated subsidiary of Zürcher Kantonalbank. It is not subject to any direct prudential supervision neither in Guernsey nor in Switzerland and does not have a rating.

#### Keep-Well Agreement

Zürcher Kantonalbank Finance (Guernsey) Limited is a fully owned subsidiary of Zürcher Kantonalbank. Zürcher Kantonalbank obtains the following ratings: Standard & Poor's: AAA, Moody's: Aaa, Fitch: AAA. Zürcher Kantonalbank is committed to Zürcher Kantonalbank Finance (Guernsey) Limited to support it financially, in order to satisfy any claims of its creditors in due time. The full text of the Keep-Well Agreement can be found in the publicly available Base prospectus.

<b>Lead Manager, Paying Agent, Exercise Agent and Calculation Agent</b>	Zürcher Kantonalbank, Zurich
<b>Symbol/ Swiss Security Code/ISIN</b>	<b>CDSMZZ/</b> 132 910 653/CH1329106533
<b>Notional Amount/Denomination/Trading Units</b>	CHF 20'000'000.00/CHF 100.00/1 structured product or multiples thereof
<b>Number of structured products</b>	Up to 200'000, with the right to increase
<b>Issue Price</b>	CHF 100.00 per structured product
<b>Currency</b>	CHF
<b>Underlying</b>	<b>SMI® Index</b> /CH0009980894/Bloomberg: SMI Index
<b>Cap/Cap Level</b>	CHF 13'427.55/115.00% of Initial Fixing Level
<b>Upside Participation</b>	100.00% from Exercise Price on
<b>Downside Participation</b>	50.00% from Exercise Price on
<b>Maximum Repayment Price</b>	CHF 115.00/115.00% of Initial Fixing Level
<b>Exercise Price</b>	CHF 11'676.13/100.00% of Initial Fixing Level
<b>Initial Fixing Date</b>	15 March 2024
<b>Settlement Date</b>	22 March 2024
<b>Last Trading Date</b>	15 September 2025
<b>Final Fixing Date</b>	15 September 2025
<b>Redemption Date</b>	22 September 2025
<b>Initial Fixing Level</b>	CHF 11'676.13, Closing price of Underlying, on 15 March 2024
<b>Final Fixing Level</b>	Closing Price of the Underlying, on 15 September 2025
<b>Redemption Method</b>	<p>Repayment shall be made in cash on the Repayment date. A distinction is made between 2 cases to determine the redemption amount:</p> <ul style="list-style-type: none"> <li>- If the Final Fixing Level or the Underlying is equal to or higher than the Exercise Price, each ZKB Cushion Downside Participation Certificate with Cap will be redeemed in cash at the Denomination plus 100.00% of the positive performance above the Exercise Price, capped at the Maximum Return.</li> <li>- If the Final Fixing Level is lower than the Exercise Price, each ZKB Cushion Downside Participation Certificate with Cap will be redeemed in cash at the Denomination less the negative performance of the Underlying multiplied by the Downside Participation of 50.00%.</li> </ul> <p>The redemption amount is calculated according to the following formula:</p> $N * \left( 1 + \min \left( \frac{Cap}{K} - 1, \frac{S_{FF}}{K} - 1 \right) * P \right)$ <p>where</p> <p>N = Denomination  Cap = CHF 13'427.55  K = Exercise Price  S<sub>FF</sub> = Final Fixing Level  P = Participation = 100.00%, if S<sub>FF</sub> ≥ S<sub>IF</sub>  50.00%, if S<sub>FF</sub> &lt; S<sub>IF</sub></p>
<b>Listing</b>	Application to list on the SIX Swiss Exchange will be filed, planned first trading day will be 22 March 2024.

<b>Secondary Market</b>	Under normal market conditions, Zürcher Kantonalbank intends to provide bid and/or ask prices for this product on a regular basis. There is no obligation to provide corresponding liquidity. The non-binding indicative quotes can be found at <a href="http://www.zkb.ch/finanzinformationen">www.zkb.ch/finanzinformationen</a> .	
<b>Clearing House</b>	SIX SIS AG/Euroclear/Clearstream	
<b>Distribution fees</b>	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 product. The Distribution Fees paid out to distribution partners may amount up to 0.5% p.a..	
<b>Sales: 044 293 66 65</b>	SIX Telekurs: .zkb Internet: <a href="http://www.zkb.ch/finanzinformationen">www.zkb.ch/finanzinformationen</a>	Reuters: ZKBSTRUCT Bloomberg: ZKBY <go>
<b>Key Elements of the product</b>	With the purchase of a ZKB Cushion Downside Participation Certificate with Cap, the investor participates at a rate corresponding to the Upside Participation in case of a positive development of the Underlying compared to the Exercise Price. The maximum return is capped. If the Final Fixing Level of the Underlying is lower than the Exercise Price, the Investor will participate in the negative performance of the Underlying at a rate corresponding to the Downside Participation. In this case, the investor's loss is smaller than in the case of a direct investment in the Underlying (Cushion).	
<b>Taxes</b>	<p>The product is considered as transparent and IUP (Intérêt Unique Prédominant). The implied internal rate of return is subject to income tax for private investors with Swiss tax domicile at sale or maturity (IRR 1.15% p.a., present value of bond part at issue 98.29%) and is determined in compliance with the "modifizierte Differenzbesteuerung" tax rule based on the ESTV Bondfloor Pricing method. Any return derived from the option part qualifies as capital gain and is not subject to Swiss income tax for private investors with Swiss tax domicile. The product is not subject to Swiss withholding tax. The Federal securities transfer stamp tax is levied on secondary market transactions of this product. 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 this series of Derivatives. 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>	
<b>Documentation</b>	<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). 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. <b>These Final Terms and the Base prospectus can be ordered free of charge at Zürcher Kantonalbank, Bahnhofstrasse 9, 8001 Zurich, dept. VRIS or by e-mail at <a href="mailto:documentation@zkb.ch">documentation@zkb.ch</a>. They are also available on <a href="https://www.zkb.ch/finanzinformationen">https://www.zkb.ch/finanzinformationen</a>.</b></p>	

## Information on the Underlying

The SMI® is made up of a maximum of 20 of the largest and most liquid stocks from the SPI® Large- and Mid-cap Segment. As with all SIX stocks indices, the stocks are weighted within the index according to their free float market capitalisation. The index is updated in real time after each transaction and published every three seconds. The SMI® is a price index. These securities are not in any way sponsored, endorsed, sold or promoted by the SIX Swiss Exchange and the SIX Swiss Exchange makes no warranty or representation. SMI® is a registered trademark of the SIX Swiss Exchange. Its use is license requiring. Information on the performance of the Underlying is publicly available on [www.bloomberg.com](http://www.bloomberg.com). Current annual reports are published on the website of the respective index provider.

## 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://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>

## Governing Law/Jurisdiction

Swiss Law/Zurich

## 2. Profit and Loss Expectations at Maturity

### Profit and Loss Expectations at Maturity

ZKB Cushion Downside Participation Certificate with Cap

Underlying Price	Percent	ZKB Cushion Downside Participation Certificate with Cap	Redemption	Performance %
CHF 4'670.45	-60%		CHF 70.00	-30.00%
CHF 7'005.68	-40%		CHF 80.00	-20.00%
CHF 9'340.90	-20%		CHF 90.00	-10.00%
CHF 11'676.13	0%		CHF 100.00	0.00%
CHF 14'011.36	+20%		CHF 115.00	15.00%
CHF 16'346.58	+40%		CHF 115.00	15.00%
CHF 18'681.81	+60%		CHF 115.00	15.00%

Source: Zürcher Kantonalbank

If the Final Fixing Level is above the Strike Price, the performance of the ZKB Cushion Downside Participation Certificate with Cap corresponds to the performance of the Underlying multiplied by the Upside Participation, but not more than 15.00%. If however, the Final Fixing Level is below the Strike Price, the performance of the ZKB Cushion Downside Participation Certificate with Cap corresponds to the negative performance of the Underlying multiplied by the Downside Participation. Therefore, the investor may suffer a partial or total loss.

The table above is valid at maturity only and is by no means meant as a price indication for this Structured Product throughout its lifetime. The price of this Structured Product depends on additional risk factors between the Initial Fixing Date and the Final Fixing Date. The price quoted on the secondary market can therefore deviate substantially from the above table.

## 3. Material Risks for Investors

### Credit Risk Relating to Issuer

Obligations under this structured product 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 products 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. Zürcher Kantonalbank Finance (Guernsey) Limited does not have any rating.

### Specific Product Risks

Structured products are complex investment 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.

The loss potential of an investment in a ZKB Cushion Downside Participation Certificate with Cap is limited to the difference between the Issue price of the ZKB Cushion Downside Participation Certificate with Cap and the price of the Underlying at maturity. The price of the Underlying can then be significantly lower than the Initial Fixing Level. The indicated participation is only valid at maturity.

The ZKB Cushion Downside Participation Certificate with Cap 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

<b>Modifications</b>	<p>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.</p>
<b>Change of Issuer</b>	<p>The Issuer is entitled at any time and without the approval of the investors to transfer the rights and claims from collective or individual structured products in their entirety (but not partially) to a Swiss or foreign subsidiary, branch or holding company of Zürcher Kantonalbank (the "New Issuer"), provided (i) the New Issuer fully assumes all liabilities from the transferred structured products owed by the previous Issuer to the investors through these structured products, (ii) Zürcher Kantonalbank concludes a Keep-Well Agreement with the New Issuer, with identical content to the one between Zürcher Kantonalbank and Zürcher Kantonalbank (Guernsey) Limited, and (iii) the New Issuer has received all the requisite approvals to issue structured products and assume obligations connected to the transferred structured products from the national authorities of country in which said New Issuer is based.</p>
<b>Market Disruptions</b>	<p>Compare specific provisions in the base prospectus.</p>
<b>Prudential Supervision</b>	<p>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, <a href="https://www.finma.ch">https://www.finma.ch</a>.</p>
<b>Recording of Telephone Conversations</b>	<p>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.</p>
<b>Further Information</b>	<p>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.</p>
<b>Material Changes</b>	<p>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 and Zürcher Kantonalbank.</p>
<b>Responsibility for the Final Terms</b>	<p>Zürcher Kantonalbank, Zurich, and Zürcher Kantonalbank Finance (Guernsey) Limited, Guernsey, assume responsibility for the content of these Final Terms and hereby declare that, to their knowledge, the information contained in these Final Terms is correct and no material circumstances have been omitted.</p>

Zurich, 21 February 2024, last update on 18 March 2024