

ZKB Tracker Certificate Dynamic on EdR European Leaders

27.02.2024 - Open End | Swiss Security Code 121 824 903

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 Dynamic SSPA Category: Tracker Certificate (1300, acc. to the Swiss Derivative Map) ISIN: CH1218249030 Symbol: EDRELZ Issuer: Zürcher Kantonalbank Underlying: EdR European Leaders Initial Fixing Date: 20 February 2024 Settlement Date: 27 February 2024 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: EUR 50'000'000.00/EUR 1'000.00/1 structured product or multiples thereof Issue price: EUR 1'000.00 Information on listing: Application to list on the SIX Swiss Exchange will be filed, planned first trading day will be 27 February 2024

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.

Investment Profile

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

The present ZKB tracker certificate represents Edmond de Rothschild (Suisse) SA stock picking and allocation implemented through the European Equity lists of Edmonde de Rothschild (Suisse) SA.

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 equities, ETFs and cash. The current composition of the Underlying can be requested free of charge by email at documentation@zkb.ch or by telephone on 044 292 60 65.

Rebalancing	The Investment Manager rebalances the portfolio composition based on its qualified evaluation of the market. 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 rebalancing period may be prolonged by the Issuer due to limited tradability.
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	<p>Edmond de Rothschild (Switzerland) Ltd., Geneva</p> <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 (FinIAG; SR 954.1), Edmond de Rothschild (Switzerland) Ltd. is subject to the prudential supervision of FINMA, Laupenstrasse 27, CH-3003 Bern, https://www.finma.ch.</p> <p>The Investment Manager may not only act as distributor of the structured product and/or Investment Manager in relation to the Underlying but also as asset manager or financial advisor in relation to the investors in the structured products. This may lead to potential conflicts between the interests of the investors and the interests of the Investment Manager. The Investment Manager has taken all necessary measures to avoid such potential conflict of interest or, if such avoidance is not reasonably possible, will disclose such conflict of interest to the investors concerned.</p>
Symbol/ Swiss Security Code/ISIN	EDRELZ/ 121 824 903/CH1218249030
Notional Amount/Denomination/ Trading Units	EUR 50'000'000.00/EUR 1'000.00/1 structured product or multiples thereof
Number of structured products	Up to 50'000, with the right to increase
Issue Price	EUR 1'000.00 /100.00% of Basket Value on the Initial Fixing Date
Currency	EUR

Underlying per Initial Fixing Date	Component	ISIN / Bloomberg	Related Exchange	*Currency / Initial Fixing Value	Weight in %	No. of Shares/ Amount
	Accor SA	FR0000120404/ AC FP	Euronext Paris	EUR 37.85000	4.82	1.273448
	Adidas AG	DE000A1EWWW0/ ADS GY	Xetra	EUR 181.12000	2.24	0.123675
	Air Liquide	FR0000120073/ AI FP	Euronext Paris	EUR 185.86000	6.50	0.349726
	Allianz SE	DE0008404005/ ALV GY	Xetra	EUR 249.40000	6.38	0.255814
	ASML Holding NV	NL0010273215/ ASML NA	Euronext Amsterdam	EUR 837.70000	7.75	0.092515
	BNP Paribas	FR0000131104/ BNP FP	Euronext Paris	EUR 55.50000	6.15	1.108108
	Bouygues	FR0000120503/ EN FP	Euronext Paris	EUR 34.57000	5.45	1.576511
	Cap Gemini	FR0000125338/ CAP FP	Euronext Paris	EUR 218.80000	5.71	0.260969
	Deutsche Telekom AG	DE0005557508/ DTE GY	Xetra	EUR 22.26500	4.08	1.832472
	Deutsche Post AG	DE0005552004/ DHL GY	Xetra	EUR 42.98000	2.68	0.623546
	EDP - Energias de Portugal S.A.	PTEDP0AM0009/ EDP PL	Euronext Lisbon	EUR 3.75200	4.13	11.007463
	Infineon	DE0006231004/ IFX GY	Xetra	EUR 32.56000	3.82	1.173219
	Technologies AG					
	ING Groep NV	NL0011821202/ INGA NA	Euronext Amsterdam	EUR 12.69600	4.58	3.607435
	L'Oréal SA	FR0000120321/ OR FP	Euronext Paris	EUR 443.60000	3.80	0.085663
	LVMH Moët Hennessy Louis Vuitton	FR0000121014/ MC FP	Euronext Paris	EUR 820.20000	7.70	0.093880
	Michelin (CDGE)-B	FR001400AJ45/ ML FP	Euronext Paris	EUR 33.33000	3.06	0.918092
	Pernod-Ricard	FR0000120693/ RI FP	Euronext Paris	EUR 155.85000	4.02	0.257940
	Schneider Electric SA	FR0000121972/ SU FP	Euronext Paris	EUR 201.15000	6.35	0.315685
	TotalEnergies SE	FR0000120271/ TTE FP	Euronext Paris	EUR 58.60000	5.97	1.018771
	Volkswagen AG ps	DE0007664039/ VOW3 GY	Xetra	EUR 118.08000	4.81	0.407351

* 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 1'000.00 on Initial Fixing Date
Ratio	1 ZKB Tracker Certificate Dynamic 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	20 February 2024 The Issuer has the right to expand the time period for the Initial Fixing if required by current market conditions e.g. liquidity.
Settlement Date	27 February 2024

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.

Initial Fixing Level

Closing prices of the components of the Underlying on Related Exchanges, on 20 February 2024

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 relevant fixing date and according to the following formula:

$$\text{Ratio} * \left(\sum_{i=1}^N S_{i,T} * W_{i,T} * FX_{i,T} \right) - \text{Fees}$$

where

Ratio = 1

$S_{i,T}$ = Value of the Component i of the Underlying on relevant fixing date

$W_{i,T}$ = Weighting of the Component i of the Underlying (number of Shares) on relevant fixing date

Fees = Annual Fee and Rebalancing Fees

$FX_{i,T}$ = Exchange rate of the Component i of the Underlying (to EUR) on relevant fixing date

T = Relevant fixing date

Negative interests could be charged on any potential Cash Components (overnight reference interest rate of the respective currency). This has a negative impact on the value of the structured product.

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, planned first trading day will be 27 February 2024.

Secondary Market

Under normal market conditions, Zürcher Kantonalbank intends to provide bid and/or ask prices for this product on a regular basis. If both bid and ask prices are provided, it is intended to apply a spread of max. 0.5%. There is no obligation to provide corresponding liquidity. The non-binding indicative quotes can be found at www.zkb.ch/finanzinformationen.

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 0.20% p.a. and the Investment Manager receives 0.80% p.a. for their relevant duties.

Rebalancing Fee

A Rebalancing Fee of 0.05% of the transaction value will be charged per Rebalancing.

Clearing House

SIX SIS AG/Euroclear/Clearstream

Distribution fees	No distribution fees are incurred.
Sales: 044 293 66 65	SIX Telekurs: .zkb Internet: www.zkb.ch/finanzinformationen
	Reuters: ZKBSTRUCT 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 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 Fixing Date.
Taxes	<p>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.</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). 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. VRIS or by e-mail at documentation@zkb.ch. They are also available on https://www.zkb.ch/finanzinformationen.</p>
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	<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	Swiss Law/Zurich

2. Profit and Loss Expectations after Year 1

Profit and Loss Expectations after Year 1

ZKB Tracker Certificate Dynamic

Basket		Redemption	
Value	Percent	ZKB Tracker Certificate Dynamic	Performance %
EUR 400.00	-60.00%	EUR 396.00	-60.40%
EUR 600.00	-40.00%	EUR 594.00	-40.60%
EUR 800.00	-20.00%	EUR 792.00	-20.80%
EUR 1000.00	+0.00%	EUR 990.00	-1.00%
EUR 1200.00	+20.00%	EUR 1188.00	18.80%
EUR 1400.00	+40.00%	EUR 1386.00	38.60%
EUR 1600.00	+60.00%	EUR 1584.00	58.40%

Source: Zürcher Kantonalbank

The performance of the ZKB Tracker Certificate Dynamic is analog to the performance of the Underlying less any Fees. Therefore, the investor may suffer a partial or total loss. 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. During the lifetime of the structured product, additional risk factors emerge which have a decisive influence on the value of the structured product. The price quoted in the secondary market can differ substantially from the table above.

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 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 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, 16 February 2024, last update on 21 February 2024