

ZKB Tracker Certificate Dynamic on the HBL Impact Equity Global Basket

18.06.2021 - Open End | Swiss Security Code 110 586 242

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
<p>Type of product: ZKB Tracker Certificate Dynamic SSPA Category: Tracker Certificate (1300, acc. to the Swiss Derivative Map) ISIN: CH1105862424 Symbol: HIEAGZ Issuer: Zürcher Kantonalbank Underlying: the HBL Impact Equity Global Basket Initial Fixing Date: 11 June 2021 Settlement Date: 18 June 2021 Final Fixing Date: --- (Open End) Redemption Date: --- (Open End) Type of settlement: cash</p>
Information concerning the offer and admission to trading
<p>Place of the offer: Switzerland Notional Amount/Denomination/Trading Units: CHF 10'000'000.00/CHF 10.00/1 Structured Product or multiples thereof Issue price: CHF 10.00 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 18 June 2021</p>

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 stock selection is based on an internal model of the investment manager and is aligned to quantitative and qualitative criteria. Due to the increased profit and loss potential, the HBL Impact Equities Global Basket is more suitable for risk-tolerant investors. By investing in a broad basket of several stocks, optimal diversification is ensured. To avoid cluster risks, a maximum share of 5% per security is targeted.

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 corporate stocks, that fulfill defined sustainability criteria. There are no regional restrictions and therefore all investable markets worldwide are taken into account. 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 generally 12 times a year the portfolio composition based on its qualified evaluation of the market. The Investment Manager considers only stocks which provide sufficient liquidity and tradability. The Rebalancing is based on net prices of the Underlyings (average of the net prices of the underlyings converted into the basket currency by the Issuer). The rebalancing period may be prolonged by the Issuer due to limited tradability. The current basket composition of the Underlying 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	<p>Hypothekarbank Lenzburg Ltd. (HBL), HBL Asset Management 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), Hypothekarbank Lenzburg Ltd. (HBL) 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	HIEAGZ/ 110 586 242/CH1105862424					
Notional Amount/Denomination/ Trading Units	CHF 10'000'000.00/CHF 10.00/1 Structured Product or multiples thereof					
Number of Structured Products	Up to 1'000'000, with the right to increase					
Issue Price	CHF 10.00 /70.95% 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
	Adobe Systems Inc	US00724F1012/ ADBE UW	NASDAQ	USD 541.26000	4.72	0.001359
	Advanced Micro Devices Inc	US0079031078/ AMD UW	NASDAQ	USD 81.31000	1.89	0.003620
	AIA Group Ltd	HK0000069689/ 1299 HK	Hong Kong Stock Exchange	HKD 95.60000	0.93	0.011798
	Alexion Pharmaceuticals Inc	US0153511094/ ALXN UW	NASDAQ	USD 181.65000	1.14	0.000979
	ASM International NV	NL0000334118/ ASM NA	Euronext Amsterdam	EUR 270.00000	5.23	0.002494
	Best Buy Co Inc	US0865161014/ BBY UN	New York Stock Exchange	USD 114.45000	1.60	0.002184
	Boliden AB	SE0015811559/ BOL SS	Nasdaq Stockholm	SEK 350.40000	1.63	0.006044
	Canadian Pacific Railway Ltd	CA13645T1003/ CP CT	Toronto Stock Exchange	CAD 97.76000	2.92	0.005645
	Cash CHF	CH0002748082/ CHF	other	CHF 0.89830	0.37	0.057593

CBRE Group Inc	US12504L1098/ CBRE UN	New York Stock Exchange	USD 88.71000	1.72	0.003026
Cigna Corp	US1255231003/ CI UN	New York Stock Exchange	USD 241.85000	3.71	0.002395
Clorox Co	US1890541097/ CLX UN	New York Stock Exchange	USD 176.16000	3.31	0.002935
CSX Corp	US1264081035/ CSX UW	NASDAQ	USD 97.23000	0.97	0.001555
Deutsche Telekom AG	DE0005557508/ DTE GY	Xetra	EUR 17.79400	2.92	0.021141
Electronic Arts	US2855121099/ EA UW	NASDAQ	USD 146.39000	3.47	0.003700
Fisher & Paykel Healthcare Corporation Ltd	NZFAPE000152/ FPH NZ	New Zealand Stock Exchange	NZD 29.92000	0.88	0.006409
Fortum Oyi	FI0009007132/ FORTUM FH	Nasdaq Helsinki	EUR 23.96000	1.76	0.009468
Gaztransport et technigaz SA	FR0011726835/ GTT FP	Euronext Paris	EUR 71.00000	3.12	0.005648
Hannon Armstrong Sustainable Infrastructure Capital Inc	US41068X1000/ HASI UN	New York Stock Exchange	USD 53.82000	2.41	0.006992
Hong Kong Exchng Clear. Ltd	HK0388045442/ 388 HK	Hong Kong Stock Exchange	HKD 468.20000	2.87	0.007423
Konecranes Plc	FI0009005870/ KCR FH	Nasdaq Helsinki	EUR 36.87000	3.56	0.012423
Laboratory Corp Of Amer Hlds	US50540R4092/ LH UN	New York Stock Exchange	USD 258.55000	3.72	0.002247
L'Oréal SA	FR0000120321/ OR FP	Euronext Paris	EUR 384.05000	2.56	0.000858
Metsa Board Corporation	FI0009000665/ METSB FH	Nasdaq Helsinki	EUR 8.92000	2.70	0.038990
Natura & Co Holding SA	BRNTCOACNOR5/ NTCO3 BS	Sao Paolo	BRL 55.90000	1.04	0.014815
Polaris Infrastructure Inc	CA73106R1001/ PIF CT	Toronto Stock Exchange	CAD 19.21000	1.22	0.012019
Regeneron Pharmaceuticals Inc	US75886F1075/ REGN UW	NASDAQ GS	USD 525.55000	2.87	0.000853
S&P Global Inc	US78409V1044/ SPGI UN	New York Stock Exchange	USD 392.49000	4.17	0.001658
Salesforce.com Inc	US79466L3024/ CRM UN	New York Stock Exchange	USD 240.31000	1.82	0.001184
SLM Corp	US78442P1066/ SLM UW	NASDAQ GS	USD 20.54000	3.41	0.025929
SONY CORP	JP3435000009/ 6758 JT	Tokyo	JPY 10860.000 00	3.49	0.005525
STMicroelectronics NV	NL0000226223/ STM IM	Borsa Italiana	EUR 31.41000	1.17	0.004775
Taiwan Semiconductor Manufacturing Co Ltd	TW0002330008/ 2330 TT	Taiwan Stock Exchange	TWD 602.00000	3.64	0.026103
Thule Group AB	SE0006422390/ THULE SS	Nasdaq Stockholm	SEK 383.60000	2.98	0.010091
TIM SA	BRTIMSACNOR5/ TIMS3 BS	Sao Paolo	BRL 12.95000	1.08	0.066649
United Microelectronics Corp.	TW0002303005/ 2303 TT	Taiwan Stock Exchange	TWD 51.80000	3.41	0.284271
Valmet Corp	FI4000074984/ VALMT FH	Nasdaq Helsinki	EUR 35.00000	2.73	0.010049
Verizon Communications Inc	US92343V1044/ VZ UN	New York Stock Exchange	USD 57.33000	1.91	0.005196
Vonovia SE	DE000A1ML7J1/ VNA GY	Xetra	EUR 53.62000	0.95	0.002268
Zalando	DE000ZAL1111/ ZAL GY	Xetra	EUR 93.56000	3.97	0.005459

* 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 14.0951 on Initial Fixing Date
Ratio	1 ZKB Tracker Certificate Dynamic represents 0.7094 Underlyings
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. Payments from Korean Underlying constituents will not be considered and will not be distributed to the Structured Product.
Initial Fixing Date	11 June 2021 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	18 June 2021
Redemption right of the Issuer	The Issuer has the right to redeem the outstanding Structured Products semi-annually on the 15th day of December (fixing date; modified following), for the first time on 15 December 2021. 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 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 annually per 15th day of December (fixing date; modified following) to the Issuer, for the first time on 15 December 2021. 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 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	11 June 2021, Net price of the Components of the Underlying on a best effort basis.
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: $Ratio * \left(\sum_{i=1}^N S_{i,T} * W_{i,T} * FX_{i,T} \right) - Fees$ <p>where</p> <ul style="list-style-type: none"> Ratio = 0.7094 $S_{i,T}$ = 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 $FX_{i,T}$ = Exchange rate of the Component i of the Underlying (to CHF) on Final Fixing Date T = Final Fixing Date <p>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.</p>
Listing	Application to list on the SIX Swiss Exchange will be filed, the first provisory trading day will be 18 June 2021.

Annual Fee	1.30% 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 0.35% p.a. and the Investment Manager receives 0.95% p.a. for their relevant duties.	
Rebalancing Fee	In case of more than 15 Rebalancings per year, a Rebalancing Fee of 0.10% of the transaction value of each traded component will be charged to the product for each additional 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 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

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 Exchange Regulation Ltd 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://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 after Year 1

Profit and Loss Expectations after Year 1

ZKB Tracker Certificate Dynamic

Basket		Redemption	
Value	Percent	ZKB Tracker Certificate Dynamic	Performance %
CHF 9.87	-30.00%	CHF 6.91	-30.92%
CHF 11.28	-20.00%	CHF 7.90	-21.05%
CHF 12.69	-10.00%	CHF 8.88	-11.18%
CHF 14.10	+0.01%	CHF 9.87	-1.30%
CHF 15.50	+10.00%	CHF 10.86	8.56%
CHF 16.91	+20.00%	CHF 11.84	18.43%
CHF 18.32	+30.00%	CHF 12.83	28.30%

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. The investor bears all the risks in connection with a possible exchange rate risk between the product currency, the currency of the components of the Underlying, and his reference currency.

Investments with regard to Emerging Markets are exposed to several risk factors especially political or economic risks. The political system, the continuity and the political culture of emerging markets might be totally different compared to developed countries and might therefore cause a negative influence on the Underlying and/or the currencies. The relevant Underlyings and currencies are generally not as liquid as those of developed countries. Purchase and sales might cause market fluctuations. Especially in emerging markets currency transfer restrictions and/or a connectivity to a reference currency are more likely.

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.
Selling Restrictions	EEA, U.S.A./U.S. persons, United Kingdom, 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 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, 11 June 2021, last update on 14 June 2021