

# 3.5508% p.a. ZKB Callable Barrier Reverse Convertible on worst of Nestlé rs/Barry Callebaut rs/Lindt & Sprüngli drc

23.07.2021 - 23.07.2024 | Swiss Security Code 110 587 323

## 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 Callable Barrier Reverse Convertible <b>SSPA Category:</b> Barrier Reverse Convertible (1230, acc. to the Swiss Derivative Map) <b>ISIN:</b> CH1105873231 <b>Issuer:</b> Zürcher Kantonalbank <b>Underlyings:</b> <ul style="list-style-type: none"> <li>- Nestlé SA registered share</li> <li>- Barry Callebaut AG registered share</li> <li>- Lindt &amp; Sprüngli AG dividend-right certificate</li> </ul> <b>Initial Fixing Date:</b> 16 July 2021 <b>Settlement Date:</b> 23 July 2021 <b>Final Fixing Date:</b> 16 July 2024 <b>Redemption Date:</b> 23 July 2024 <b>Type of settlement:</b> physical or cash <b>Coupon:</b> 3.5508% p.a. <b>Knock-in Level:</b> 65.00% 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> Up to CHF 20'000, without the right to increase / denomination of CHF 10'000 per structured product / CHF 10'000 or multiples thereof <b>Issue price:</b> 100.00% of Denomination (CHF 10'000) <b>Information on listing:</b> The product will not be listed on an exchange.

## Final Terms

### 1. Product Description

#### Product Category/Name

Yield Enhancement/Barrier Reverse Convertible (1230, 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, Zürich

#### 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

#### Swiss Security Code/ISIN

110 587 323 (not listed)/CH1105873231

<b>Notional Amount/Denomination/ Trading Units</b>	Up to CHF 20'000, without the right to increase / denomination of CHF 10'000 per structured product / CHF 10'000 or multiples thereof
<b>Issue Price</b>	100.00% of Denomination
<b>Currency</b>	CHF
<b>Underlyings</b>	<b>Nestlé SA registered share</b> /CH0038863350/SIX Swiss Exchange /Bloomberg: NESN SE <b>Barry Callebaut AG registered share</b> /CH0009002962/SIX Swiss Exchange /Bloomberg: BARN SE <b>Lindt &amp; Sprüngli AG dividend-right certificate</b> /CH0010570767/SIX Swiss Exchange /Bloomberg: LISP SE

<b>Initial Fixing Value (100%) Knock-in Level (65%) Ratio</b>	<b>Underlying</b>	<b>Initial Fixing Level</b>	<b>Knock-in Level</b>	<b>Ratio</b>
	Nestlé rs	115.4800	75.0600	86.595081
	Barry Callebaut rs	2240.0000	1456.0000	4.464286
	Lindt & Sprüngli drc	9535.0000	6198.0000	1.048768

**Knock-in Level** 65.00% of Initial Fixing Level

**Coupon** **3.5508% p.a. (0.8877% per period)**  
interest payment: 0.0000% p.a.; premium payment: 3.5508% p.a.

**Initial Fixing Date** 16 July 2021

**Settlement Date** 23 July 2021

**Last Trading Date** 16 July 2024

**Final Fixing Date** 16 July 2024

**Redemption Date** 23 July 2024, early redemption possible for the first time on 25 July 2022

**Initial Fixing Level** Theoretically calculated prices of Underlyings at 10:18 CET on 16 July 2021  
Nestlé rs / CHF 115.4800  
Barry Callebaut rs / CHF 2'240.0000  
Lindt & Sprüngli drc / CHF 9'535.0000

**Final Fixing Level** Closing prices of Underlyings on the relevant exchanges on 16 July 2024

<b>Coupon Payment Dates/ Coupon Payments</b>	<b>Coupon Payment Date<sub>t</sub>*</b>	<b>Coupon Payment<sub>t</sub></b>
t = 1	25/10/2021	0.8877%
t = 2	24/01/2022	0.8877%
t = 3	25/04/2022	0.8877%
t = 4	25/07/2022	0.8877%
t = 5	24/10/2022	0.8877%
t = 6	23/01/2023	0.8877%
t = 7	24/04/2023	0.8877%
t = 8	24/07/2023	0.8877%
t = 9	23/10/2023	0.8877%
t = 10	23/01/2024	0.8877%
t = 11	23/04/2024	0.8877%
t = 12	23/07/2024	0.8877%

\* modified following business day convention

**Coupon Calculation Method** 30/360 (German), modified following

**Observation Dates/Early Redemption Dates**

Observations Dates  $t$ , whereas  $t=1$  to 8

	Observation Date <sub><math>t</math></sub>	Early Redemption Date <sub><math>t</math></sub> <sup>*</sup>
$t = 1$	18/07/2022	25/07/2022
$t = 2$	17/10/2022	24/10/2022
$t = 3$	16/01/2023	23/01/2023
$t = 4$	17/04/2023	24/04/2023
$t = 5$	17/07/2023	24/07/2023
$t = 6$	16/10/2023	23/10/2023
$t = 7$	16/01/2024	23/01/2024
$t = 8$	16/04/2024	23/04/2024

\* modified following business day convention

The Observation Dates apply, if it is a day on which commercial banks are open for general business in the city of the Exercise Agent, modified following business day convention.

**Redemption Method****Early Redemption:**

On each Observation Date, the Issuer has the right, but not the obligation to call the product and to redeem it on the respective Early Redemption Date. Notice of termination shall be given on the Observation Date, but no later than on the following bank business day.

- If the Issuer exercises its one-sided early redemption right, the product will be redeemed at 100% of the Denomination plus Coupon Payment for the respective period. No further payments are made.
- If the Issuer does not exercise its one-sided early redemption right, the product continues to run until the next Observation Date.

**Redemption at maturity:**

If no Early Redemption event has occurred, there are the following possible redemption scenarios:

If the price of none of the Underlyings has traded at or below the Knock-in Level between the Initial Fixing Date and the Final Fixing Date, redemption will be 100% of the Denomination independent of the closing price of the Underlyings on the Final Fixing Date.

If the price of one or more of the Underlyings has traded at or below the Knock-in Level between the Initial Fixing Date and the Final Fixing Date,

- redemption will be 100% of the Denomination if all Underlyings close at or higher than the Initial Fixing Level on the Final Fixing Date or
- the investor will receive a physical delivery of a number of Underlyings as defined in Ratio per Denomination of the worst performing Underlying between the Initial Fixing Date and the Final Fixing Date (Fractions will be paid in cash, no cumulation).

The Coupon will be paid out on the redemption date independent of the performance of the Underlyings.

**Listing/Secondary market**

The product will not be listed on an exchange. The Issuer commits to quote bid prices, market and limit orders will be accepted.

Investors may at any time upon request return the product to the Issuer. Such a restitution constitutes an early redemption of the product, refer to 'Taxes'.

**Type of quoting**

During the lifetime, this product is traded flat accrued interest, i.e. accrued interest is included in the trading price ('dirty price').

**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 0.3333% p.a..

**Sales: 044 293 66 65**

SIX Telekurs: .zkb

Reuters: ZKBSTRUCT

Internet: [www.zkb.ch/finanzinformationen](http://www.zkb.ch/finanzinformationen)

## Key Elements of the product

ZKB Callable Barrier Reverse Convertible on worst of is an investment product, which can be redeemed early on different dates at the discretion of the Issuer. The investor achieves an above average return in case of stable, slightly raising or even falling levels of the Underlyings.

If no Underlying has ever touched or breached the Knock-in Level between Initial Fixing Date and Final Fixing Date, redemption will be 100 % of the Denomination, independent of the price of the Underlyings at Final Fixing Date. If, between Initial Fixing Date and Final Fixing Date, the Knock-in Level of one or more of the Underlyings has been touched or breached and on the Final Fixing Date, the Final Fixing Level of one or more Underlyings is below the Initial Fixing Level, the investor will receive a physical delivery of the worst performing Underlying (between Initial Fixing Date and Final Fixing Date) according to the Redemption Method. If a knock-in event has occurred but the Final Fixing Levels of all Underlyings are at or above their respective Initial Fixing Level, redemption will be 100 % of the Denomination. The guaranteed Coupon will be paid out in any case. Because of the guaranteed Coupon the purchase price is clearly below the price of the Underlyings at Initial Fixing Date.

## Taxes

The product is considered as Non-IUP (Intérêt Unique Prédominant). The coupon payments of 0.8877% (3.5508% p.a.) are divided in an option premium payment of 3.5508% p.a. and an interest payment of 0.0000% p.a. The option premium part qualifies as capital gain and is not subject to Swiss income tax for private investors with Swiss tax domicile. The interest part is subject to Swiss income tax at the time of payment. The product is subject to Swiss withholding tax. The Federal securities transfer stamp tax is levied on secondary market transactions of this product. The Federal securities transfer stamp tax will be charged in the case of physical delivery of the underlying securities at maturity. 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 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](mailto: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](http://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.

## Governing Law/Jurisdiction

Swiss Law/Zurich

## 2. Profit and Loss Expectations at Maturity

### Profit and Loss Expectations at Maturity

ZKB Callable Barrier Reverse Convertible on worst of

worst Underlying			Redemption		
Price	Percent	Knock-in Level touched	Performance %	Knock-in Level untouched	Performance %
CHF 46.1920	-60%	CHF 5'065.24	-49.35%	Knock-in Level touched	
CHF 69.2880	-40%	CHF 7'065.24	-29.35%	Knock-in Level touched	
CHF 92.3840	-20%	CHF 9'065.24	-9.35%	CHF 11'065.24	10.65%
CHF 115.4800	0%	CHF 11'065.24	10.65%	CHF 11'065.24	10.65%
CHF 138.5760	+20%	CHF 11'065.24	10.65%	CHF 11'065.24	10.65%
CHF 161.6720	+40%	CHF 11'065.24	10.65%	CHF 11'065.24	10.65%
CHF 184.7680	+60%	CHF 11'065.24	10.65%	CHF 11'065.24	10.65%

Source: Zürcher Kantonalbank

The possibility of an early redemption has been neglected in the above table.

If the Knock-in Level is never touched between the Initial Fixing Date and Final Fixing Date, the performance of the ZKB Callable Barrier Reverse Convertible on worst of will equal the Coupon of 10.6524%, cf. table under "Knock-in Level untouched", paid out during the term of the Structured Product according to Coupon Payment Dates.

If, however, the Knock-in Level is touched between the Initial Fixing Date and the Final Fixing Date, cf. Table under "Knock-in Level touched", the loss of the ZKB Callable Barrier Reverse Convertible on worst of at maturity corresponds to the loss of the Underlying with the worst relative performance between Initial Fixing Date and Final Fixing Date less the Coupon(s) of 10.6524% paid out during the term of the Structured Product. If the Final Fixing Levels of all Underlyings trade at or above the Initial Fixing Level, redemption will be 100% of Denomination.

Additionally, the Coupon(s) will be paid out according to Coupon Payment Dates.

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. It was assumed, that Nestlé rs was the worst performing Underlying. This selection is just a representative example of the possible alternatives.

## 3. Material Risks for Investors

### Issuer Risk

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 product not only depends 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.

<b>Specific Product Risks</b>	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. The loss potential of this structured product is in case of a Knock-in Event equal to the one of the Underlying with the worst Performance minus the coupon paid out. The price of the Underlying can trade at redemption considerably below the Initial Fixing Level. The product 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.
<b>4. Additional Terms</b>	
<b>Modifications</b>	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.
<b>Change of Obligor</b>	The Issuer is entitled at all times and without the consent of the investors to assign in whole (but not in part) the rights and claims under individual structured products or all of them to a Swiss or foreign subsidiary, branch or holding company of the Zürcher Kantonalbank (the "New Issuer") to the extent that (i) the New Issuer assumes all of the obligations arising out of the assigned Derivatives which the previous Issuer owed in respect of these Derivatives, (ii) the Zürcher Kantonalbank enters into a keep-well agreement with the New Issuer with terms equivalent to the one between the Zürcher Kantonalbank and Zürcher Kantonalbank Finance (Guernsey) Limited, (iii) the New Issuer has received from the supervisory authorities of the country in which it is domiciled all necessary approvals for the issue of Derivatives and the assumption of the obligations under the assigned Derivatives.
<b>Market Disruptions</b>	Compare specific provisions in the base prospectus.
<b>Prudential Supervision</b>	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), 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> .
<b>Recording of Telephone Conversations</b>	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.
<b>Further Information</b>	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.
<b>Material Changes</b>	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.
<b>Responsibility for the Final Terms</b>	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 July 2021, last update on 16 July 2021