Zürcher Kantonalbank

15.46% (7.70% p.a.)
ZKB Barrier Reverse Convertible Last Look on worst of Merck s/Novartis rs/Bayer rs

30.03.2022 - 03.04.2024 | Swiss Security Code 113 975 917

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 Barrier Reverse Convertible **SSPA Category:** Barrier Reverse Convertible (1230, acc. to the Swiss Derivative Map) **ISIN:** CH1139759174 **Issuer:** Zürcher Kantonalbank **Underlyings:** - Merck KGaA share - Novartis AG registered share - Bayer AG registered share **Initial Fixing Date:** 23 March 2022 **Settlement Date:** 30 March 2022 **Final Fixing Date:** 25 March 2024 **Redemption Date:** 3 April 2024 **Type of settlement:** cash **Coupon:** 15.46% (7.70% p.a.) **Cap Level:** 100.00% of Initial Fixing Level **Knock-in Level:** 65.00% of Initial Fixing Level
Information concerning the offer and admission to trading
Place of the offer: Switzerland **Notional Amount/Denomination/Trading Units:** Up to CHF 50'000, without the right to increase / denomination of CHF 1'000 per structured product / CHF 1'000 or multiples thereof **Issue price:** 100.00% of Denomination (CHF 1'000) **Information on listing:** 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	113 975 917 (not listed) /CH1139759174
Notional Amount/Denomination/ Trading Units	Up to CHF 50'000, without the right to increase / denomination of CHF 1'000 per structured product / CHF 1'000 or multiples thereof
Issue Price per structured product	100.00% of the Denomination
Currency	Quanto CHF
Underlyings	**Merck KGaA share**/DE0006599905/Xetra/Bloomberg: MRK GY **Novartis AG registered share**/CH0012005267/SIX Swiss Exchange /Bloomberg: NOVN SE **Bayer AG registered share**/DE000BAY0017/Xetra/Bloomberg: BAYN GY

Cap Level (100%)
Knock-in Level (65%)
Ratio

Underlying	Cap Level	Knock-in Level	Ratio
Merck s	181.1000	117.7150	n/a
Novartis rs	79.7900	51.8635	n/a
Bayer rs	59.1000	38.4150	n/a

Knock-in Level Monitoring	The Knock-in Level Monitoring is solely based on the Final Fixing Level.
Coupon	**15.46% (7.7029% p.a.)** per Denomination CHF 1'000, interest payment 0.0000% (CHF 0.000), premium payment 15.4600% (CHF 154.600)
Coupon Payment Date(s)	3 April 2024
Coupon Calculation Method	30/360 (German), modified following
Initial Fixing Date	23 March 2022
Settlement Date	30 March 2022
Last Trading Date	25 March 2024
Final Fixing Date	25 March 2024
Redemption Date	3 April 2024
Initial Fixing Level	Theoretically calculated prices of Underlyings at 14:57 CET on 23 March 2022 Merck s / EUR 181.1000 Novartis rs / CHF 79.7900 Bayer rs / EUR 59.1000
Final Fixing Level	Closing prices of Underlyings on the relevant exchanges on 25 March 2024
Redemption Method	If none of the Final Fixing Level are at or below the Knock-in Level, the Redemption Amount will be 100% of the Denomination. If the Final Fixing Level of one or more Underlyings are at or below the Knock-in Level (''Knock-in Event''), the investor will receive a cash repayment corresponding to the Denomination minus the percentage difference between Initial Fixing Level and Final Fixing Level of the Underlying with the largest negative performance. The Coupon will be paid out on the defined Coupon Date(s) independent of the performance of the Underlyings. The calculation of the Redemption is independent of any changes in foreign exchange rates between CHF and the currency of the Underlyings (Quanto Style).
Listing	The product will not be listed on an official 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	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 Reuters: ZKBSTRUCT Internet: www.zkb.ch/finanzinformationen

Key Elements of the product

ZKB Barrier Reverse Convertible Last Look on worst of combine a fixed income security with the sale of a Knock-in Put Option. If none of the Final Fixing Level of the Underlyings are at or below the Knock-in Level, the Redemption Amount will be 100% of the Notional Amount. If one or more Final Fixing Level of the Underlyings are below the Knock-in Level, the investor will receive a Cash Repayment according to the Redemption Method. Because of the guaranteed Coupon, the purchase price is clearly below the Initial Fixing Level of the Underlyings.
The calculation of the Redemption is independent of any changes in foreign exchange rates between CHF and the currency of the Underlyings (Quanto Style).

Taxes

The product is considered as transparent and IUP(Intérêt Unique Prédominant). The Coupon of 15.46% is divided in an option premium payment of 15.4600% and an interest payment of 0.0000%. 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 in compliance with the 'modifizierte Differenzbesteuerung' tax rule based on the ESTV Bondfloor Pricing method. The product is subject to Swiss withholding tax. The Federal securities transfer stamp tax is levied on secondary market transactions. If the investor returns the product to the Issuer prior to maturity, an early redemption of the product takes place. The pro-rata income from the interest part is subject to Swiss income tax in compliance with the 'modifizierte Differenzbesteuerung' tax rule based on the ESTV Bondfloor Pricing method. Furthermore, the product is subject to Swiss withholding tax. 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 cannot 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) 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.
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.
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.
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.**

Information on the Underlyings

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.

Governing Law/Jurisdiction

Swiss Law/Zurich

2. Profit and Loss Expectations at Maturity

Profit and Loss Expectations at Maturity

ZKB Barrier Reverse Convertible Last Look on worst of

Worst Underlying		Redemption		
Price	**Percent**	**ZKB Barrier Reverse Convertible Last Look on worst of**	**Coupon**	**Performance %**
EUR 72.4400	-60%	CHF 400.00	CHF 154.60	-44.54%
EUR 108.6600	-40%	CHF 600.00	CHF 154.60	-24.54%
EUR 144.8800	-20%	CHF 1'000.00	CHF 154.60	15.46%
EUR 181.1000	0%	CHF 1'000.00	CHF 154.60	15.46%
EUR 217.3200	+20%	CHF 1'000.00	CHF 154.60	15.46%
EUR 253.5400	+40%	CHF 1'000.00	CHF 154.60	15.46%
EUR 289.7600	+60%	CHF 1'000.00	CHF 154.60	15.46%

Source: Zürcher Kantonalbank

If the Final Fixing Levels of the Underlyings are not at or below the Knock-in Level on the Final Fixing Date, the performance of the Last Look ZKB Barrier Reverse Convertible on worst of will be at 15.46%, according to Coupon Payment Date(s).
If the Final Fixing Level of the worst performing Underlying is at or below the Knock-In Level, then the redemption of the Last Look ZKB Barrier Reverse Convertible on worst of will correspond to the Denomination minus the percentage performance of the worst performing Underlying, i.e. a partial or total loss. The Coupon will be paid out additionally.

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 Merck s 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.

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. The loss potential of an investment in this structured product is in case of a Knock-in Event equal to the one of the Underlying with the worst relative performance. The price of the Underlyings can trade at redemption considerably below the Cap Level. This 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.

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.

Change of Obligor	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.
Market Disruptions	Compare specific provisions in the base prospectus.
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 (FinIAG; 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, 23 March 2022