

ZKB Tracker Certificate

on ZKB MeinIndex Sustainable Europa

27.07.2012 - Open End | Swiss Security Code 10 716 647

New Issue

1. Product Description

Product Category / Name

Participation Product / Tracker Certificate (1300, according to the "Swiss Derivative Map" provided by the Swiss Structured Products Association)

Conflicts of interest

Zürcher Kantonalbank and its affiliated companies may in its role as universal bank participate in any transactions, which are in direct relation to the Structured Product issued by Zürcher Kantonalbank. Zürcher Kantonalbank pursues such products either in the interest of its clients or in its own interest. Hence conflicts of interest between the investors in Structured Products issued by Zürcher Kantonalbank and Zürcher Kantonalbank itself may not be completely ruled out. Furthermore, Zürcher Kantonalbank may perform additional functions related to the issuance of Structured Products, which potentially bear conflicts of interest. Zürcher Kantonalbank has set up its internal processes in order to avoid conflicts of interest or, if such avoidance is not sufficiently feasible, will disclose such conflicts of interest to affected clients. Further information regarding conflicts of interest may be found in the respective Issuance Programme.

CISA Notification

These products constitute Structured Products in Switzerland. They do not constitute collective investment schemes in the meaning of the Swiss Federal Act on Collective Investment Schemes (CISA). They are not subject to an authorisation or supervision by the FINMA and investors do not benefit from protection under the CISA.

Issuer

Zürcher Kantonalbank, Zurich

Lead Manager, Paying Agent, Exercise Agent and Calculation Agent

Zürcher Kantonalbank, Zurich

Rating of the Issuer

For Products issued by Zürcher Kantonalbank: Standard & Poor's AAA, Moody's Aaa, Fitch AAA

Symbol / Swiss Security Code / ISIN

TREURI /
10 716 647 / CH0107166479

Notional Amount / Denomination / Trading Units

CHF 7 500 000.00 / CHF 100 000.00 / 1 Structured Product or multiples thereof

Number of Structured Products

Up to 75, with the right to increase

Issue Price per Structured Product

CHF 100 250.00 / 100.25 % of Underlying on the Initial Fixing Date multiplied by the Ratio

Currency

CHF

Underlying

ZKB MeinIndex Sustainable Europa / CH0189841031 / Bloomberg: ZKBIEUR

Ratio

*****The information in this section have been adjusted due to underlying modifications.**

1 Structured Product corresponds to 1000.00 Underlying/s.

The terms and conditions of the present product have been adjusted due to Corporate Actions, refer to table Corporate Actions.

Initial Fixing Date

20 July 2012

Settlement Date

27 July 2012

Redemption Date

Value date is three bank business days after the Exercise Date, Cash Settlement in CHF

Early Redemption Right of the Issuer	The Issuer has the right to call the Structured Product for Early Redemption each year per 27 July (Exercise Date) which has to be announced at least 20 banking days in advance without any reasons (for the first time per 27 July 2013, modified following). The information to the holder of the Structured Product will be published by the SIX Swiss Exchange.
Early Redemption Right of the Investor	In addition to the possibility of selling the Structured Products at any time in the secondary market, the investor has each year per 27 July the right to exercise his Structured Products (for the first time per 27 July 2013). The according exercise notice has to be received no later than 5 banking days before the respective exercise date by Zürcher Kantonalbank (Zürcher Kantonalbank, Department IHSV, Josefstrasse 222, P.O. Box 8010 Zurich). 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.
Maturity	Open End
Initial Fixing Level	CHF 100.00, price of Underlying, on 20 July 2012
Redemption Method	<p>***The information in this section have been adjusted due to underlying modifications.</p> <p>The redemption value in CHF per Structured Product equals the through the Calculation Agent on the exercise date determined value of the underlying less the since issue accrued fees and is calculated according to the following formula:</p> $\frac{\text{level of the underlying}}{(1 + \text{fees})^n}$ <p>where n is the number of years since issue.</p>
Listing	Application to list on the SIX Swiss Exchange will be filed, the first provisory trading day will be 27 July 2012
Clearing House	SIX SIS AG / Euroclear / Clearstream
Annual Fee	0.60 % 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.
***Disbursements	This section has been deleted.
Sales: +41 (0)44 293 66 65	<div>SIX Telekurs: 85,ZKB</div> <div>Internet: www.zkb.ch/strukturierteprodukte</div> <div>Reuters: ZKBSTRUCT</div> <div>Bloomberg: ZKBY <go></div>
Key Elements of the Product	The purchase of an ZKB Tracker Certificate reflects in terms of value the purchase of the Underlying. The investor has the possibility to fully participate in the Index performance through a single transaction.
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** of each year.</p> <p>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 of this product. For Swiss paying agents this product is not subject to the EU taxation of savings income (SIX Telekurs EU-Tax classification code: 9, "out of scope").</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 constitutes the Final Terms in accordance with article 21 of the Additional Rules for the Listing of Derivatives of the SIX Swiss Exchange. These Final Terms supplement the Issuance Programme of the Issuer dated 12 April 2012 and published in German in the currently valid version. These Final Terms and the Issuance Programme constitute the complete Issuance and Listing Prospectus for this issuance (the 'Listing Prospectus'). Except as otherwise defined in these Final Terms, capitalised terms used in these Final Terms have the meaning as defined in the Glossary in the Issuance Programme. In case of discrepancies between information or the provisions in these Final Terms and those in the Issuance Programme, the information and provisions in these Final Terms shall prevail. Structured Products will be issued as uncertified rights (Wertrechte) and registered as book entry securities (Bucheffekten) with SIX SIS AG. Investors have no right to require the issuance of any certificates or proves of evidence for the Structured Products. These Final Terms and the Issuance Programme can be ordered free of charge at Zürcher Kantonalbank, Bahnhofstrasse 9, 8001 Zurich, dept. IFDS or by e-mail at documentation@zkb.ch. This document is not a prospectus in accordance with articles 652a or 1156 of the Swiss Code of Obligations.

Information on the Underlying

*****The information in this section have been adjusted due to underlying modifications.**

The ZKB Mein Index Sustainability Family tracks the performance of companies, which are among the most sustainable in their respective categories. Currently, the ZKB MeinIndex Sustainability Family includes the topics Solar, Wind, Energy Production, Energy Efficiency, Water, Resources and Mobility as well as the regions Emerging Markets, Europe and Pacific. The indices of the Sustainability Index Group are dividend-adjusted performance indices. Prices are published in CHF, and are not currency-hedged. The net dividends are reinvested in the index components. Further information of the Indices can be found on ZKB homepage, www.zkb.ch/meinindex.

ZKB Sustainability

Sustainable economic growth aims to consider economic, social and environmental aspects in equal measure. In this way, natural resources would be preserved for the next generation so that the Earth remains balanced. Businesses following a progressive sustainability strategy manage to harmonize the three targeted aspects such as

- utilising resources economically, reducing pollution, optimising production accordingly
- assuming social responsibilities and dealing with issues together with important stakeholders
- possessing profitability and economic success in the long term.

The selection of the underlying shares in the Index was accomplished by the Sustainability Research of Zürcher Kantonalbank. The analysis of the stocks has been done through implementing an extensive sustainability research process, that only the most sustainable companies are considered. A set of strict exclusion criteria are applied to the Sustainable Indices.

The selection and the supervision of the single investments as well as their weighting in the index is the sole responsibility of Zürcher Kantonalbank. The current process of the sustainability analysis is published on the ZKB homepage.

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 <http://zkb.is-teledata.ch/html/boersenMaerkte/marktuebersicht/schweiz/index.html> under the relevant Structured Product. The Swiss security code search button will lead you directly to the relevant Structured Product. If the product is listed on SIX Swiss Exchange, the notices will also be published in accordance with the rules issued by SIX Swiss Exchange for IBL (Internet Based Listing) on the website http://www.six-exchange-regulation.com/publications/published_notifications/official_notices_de.html

Governing Law / Jurisdiction

Swiss Law / Zurich 1

2. Profit and Loss Expectations after Year 1

Profit and Loss Expectations after Year 1

ZKB Tracker Certificate

Index		Redemption	
Level	Percent	ZKB Tracker Certificate	Performance %
40.00	-60 %	CHF 39760.00	-60.34 %
60.00	-40 %	CHF 59640.00	-40.51 %
80.00	-20 %	CHF 79520.00	-20.68 %
100.25	+0.25 %	CHF 99648.50	-0.60 %
120.00	+20 %	CHF 119280.00	18.98 %
140.00	+40 %	CHF 139160.00	38.81 %
160.00	+60 %	CHF 159040.00	58.64 %

Source: Zürcher Kantonalbank

The performance of the ZKB Tracker Certificate follows the performance of the Underlying. Differences are due to the annual fees as well as the reinvested dividends. Therefore, Profit and Loss expectations are analog to the performance of the components of the Underlying less any Fees.

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 of this Structured Product depends on additional risk factors between the Initial Fixing Date and the Final Fixing Date. 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 is an investment product whose price fluctuates to the same degree as the Underlying. Depending on price movements, the price of a ZKB Tracker Certificate could fall below the Issue Price. The risk profile is equal to the one of the Underlying. The 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.

4. Additional Terms

Modifications

If an Extraordinary Event as described in Section IV of the Issuance Programme occurs in relation to the Underlying / a component of the Underlying or if any other extraordinary event (force majeure) occurs, which makes it impossible or particularly cumbersome for the Issuer, to fulfill its obligations under the Structured Products or to calculate the value of the Structured Products, the Issuer shall at its own discretion take all the necessary actions and, if necessary may modify the terms and conditions of these Structured Products at its own discretion in such way, that the economic value of the Structured Products after occurrence of the extraordinary event corresponds, to the extent possible, to the economic value of the Structured Products prior to the occurrence of the extraordinary event. Specific modification rules for certain types of Underlyings stated in Section IV of the Issuance Programme shall prevail. If the Issuer determines, for whatever reason, that an adequate modification is not possible, the Issuer has the right to redeem the Structured Products early.

Market Disruptions

Compare specific provisions in the Issuance Programme.

Selling Restrictions

The selling restrictions contained in the Issuance Programme are applicable (EEA, U.S.A. / U.S. persons, Guernsey). The Issuer has not undertaken any actions to permit the public offering of the Structured Products or the possession or the distribution of any document produced in connection with the issuance of the Structured Products in any jurisdiction other than Switzerland. The distribution of these Final Terms or other documents produced in connection with the issuance of the Structured Products and the offering, sale and delivery of the Structured Products in certain jurisdictions may be restricted by law. Persons, which have received these Final Terms or any other documents produced in connection with the issuance of the Structured Products, such as the Issuance Programme, Termsheets, marketing or other selling material, are required by the Issuer to inform themselves about and to observe any such restrictions.

Prudential Supervision

Zürcher Kantonalbank is a bank according to the Swiss Federal Act on Banks and Saving Institutions (BankG; SR 952.0) and a securities dealer according to the Swiss Federal Act on Securities Exchanges and Securities Trading (BEHG; SR 954.1) and subject to the prudential supervision of the FINMA, Einsteinstrasse 2, CH-3003 Bern, <http://www.finma.ch>.

Recording of Telephone Conversations

Investors are reminded, that telephone conversations with trading or sales units of the Zürcher Kantonalbank are recorded. Investors, who have telephone conversations with these units consent tacitly to the recording.

Zurich, 20 July 2012

*****Adjustments per 15.1.2016:**

Ratio: The sentence ,The Ratio will be adjusted according to the reinvestment of dividends.' has been deleted.

Redemption Method: The factor ,Ratio' has been deleted.

Disbursements: The section has been deleted.

Information on the Underlying: ,non-dividend-adjusted' has been replaced with ,dividend-adjusted', ,price indices' has been replaced with ,performance indices', the sentence: ,The net dividends are reinvested in the index components.' has been added.

****Adjustment per 4 September 2017:**

old: 15 December
new: 31 October

Corporate Actions

Date	Underlying	Action		
11.06.2018	ZKB MeinIndex Sustainable Europa	Change of Identification on 11.06.2018	Name old ZKB MeinIndex Sustainability Europe	Name new ZKB MeinIndex Sustainable Europa