

Key Information Document

CH0429808766 (the Product)

Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

Product

Product name	ZKB Tracker Certificate Dynamic on Invico 5-G Investments Basket
ISIN	CH0429808766 (the Product)
Product Manufacturer	Zürcher Kantonalbank, our website: zkb.ch/strukturierteprodukte , call +41 (0)44 293 66 65 for more information.
Issuer	Zürcher Kantonalbank
Competent regulatory authority	n/a (not regulated in the EEA)

This document was created on 28 May 2020, 16:33 CET. **You are about to purchase a product that is not simple and may be difficult to understand.**

What is this Product?

Type: This Product is a bond in uncertificated and dematerialised book-entry form issued under Swiss law.

It is a Structured Product. It 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.

Objectives: This Product is a structured bond, issued by the Issuer, whose performance depends on a notional basket ("Invico 5-G Investments Basket" --- the "Underlying") of Components selected by the Investment Manager (as defined below). The Title Universe consists of stocks. Furthermore ETFs are used, primarily for liquidity management purposes. The cash component may have a maximum weighting of 50%. The Product has no maturity. You have however the right to repayment of an amount linked to the value of the Basket at predefined dates, if either the Issuer has exercised the Redemption Right or you exercised your Right to Return (as defined below). Depending on price trends, the price of the Product could rise above or fall below the Issue Price (as defined below).

Underlying: The Underlying is a notional basket of sufficiently liquid and tradable Shares, ETFs and a USD denominated cash position ("Components of the Underlying"), actively compiled by the Investment Manager according to its qualified market opinion and managed by the Investment Manager over the course of the Product's term in accordance with a discretionary and dynamic investment strategy. Limitations can apply to the inclusion of any eligible Component of the Underlying in certain circumstances.

The Product replicates the performance of the Underlying. Negative interest may be charged on the Cash Position (overnight reference interest rate of the respective currency). The sum of the weightings of the Components of the Underlying is equal to 100%. Negative weightings of the Components of the Underlying are not permitted. The payments (net of any withholding taxes and duties) attributable to the Components of the Underlying will get generally reinvested by adjusting the weightings in the corresponding Components of the Underlying. Each new composition of the Underlying and weighting of the Components of the Underlying within the Underlying ("Rebalancing") is performed in line with the investment strategy at the average of the prices of the Component of the Underlying achieved by the Issuer.

Further information about the investment strategy – if available – can be obtained free of charge from Zürcher Kantonalbank (Legal Issuing Business, VRIE), P.O. Box, 8010 Zurich, Switzerland. The current composition of the Underlying can be found at www.zkb.ch/strukturierteprodukte. If an extraordinary event occurs, e.g. in relation to the Underlying, the Issuer can at its own discretion take all necessary actions and, if necessary may modify the terms and conditions of the Product at its own discretion in such a way that the economic value of the Product after occurrence of the extraordinary event corresponds, to the extent possible, to the economic value of the Product prior to the occurrence of the extraordinary event.

Calculation Method of Repayment Amount (Repayment Method): As indicated below, the Product does not have a maturity date. Instead, the investor can redeem its investment when it exercises its Right to Return. In addition, the Issuer may repurchase the instrument by using its Redemption Right (see below). In each such case, the investor will receive a payment that is equal to the sum of the weighted value of the Components of the Underlying, as determined on the Relevant Exercise Date (see below), from which are deducted certain fees (see below) ("Repayment Amount"). You will make a loss in case the Repayment Amount is below the purchase price of the Product.

Product data

Issue Price	USD 1'000.00	Denomination	USD 1'000.00
Product Currency	US Dollar (USD)	Trading Units	1 bond
Settlement Date	02/10/2019	Redemption Right	As stated below
Initial Fixing Date	19/09/2019	Right to Return	As stated below
Relevant Exercise Date	The Exercise Date on which the Repayment Amount is determined as a result of exercising the Redemption Right or the Right to Return.		Currency Hedge n/a
Underlying Value	USD 1'000.00 on Initial Fixing Date	Calculation Agent	Zürcher Kantonalbank
Investment Manager	Invico Asset Management AG, Zürich		

Intended retail investor: The Product aims at investors who seek general capital formation / asset optimization and have a long-term, i.e. of 5 years investment horizon that is in line with the recommended holding period of the Product (see below). The Product is for investors with advanced knowledge of and/or experience with financial products. The investor can bear financial losses (up to its entire investment amount) and attaches no importance to capital protection.

Maturity of the Product: The Product does not have a maturity date.

Redemption Right (of the Issuer): The Issuer has the right to redeem the outstanding Products quarterly on the 15th day of March, June, September and December (and if this is not a bank working day at the registered office of the Issuer, on the following bank working day, the "Exercise Date"), for the first time on 16 December 2019. On the "Relevant Exercise Date", the Repayment Amount is determined, which is governed by the information under the section Calculation Method of Repayment Amount. The announcement and thus the declaration of intent to exercise the Redemption Right is made with a notice period of 20 bank working days via the website www.zkb.ch/strukturierteprodukte.

Right to Return (of the Investor): The investor has the right to return the Products held by him at the Exercise Dates, for the first time on 16 December 2019. On the Relevant Exercise Date, the Repayment Amount is determined, which is governed by the information under the section Calculation Method of Repayment Amount. The declaration of intent to exercise the Right to Return must be received no later than 5 bank working days before the respective Exercise Date and can either be sent directly by letter post to Zürcher Kantonalbank, Sales Structured Products, IHHV, P.O. Box, 8010 Zurich or by email to derivate@zkb.ch and via the investor's custodian bank.

Repayment: The repayment on the basis of a redemption by the Issuer or a return by the Investor will be executed with a value date of 5 bank working days after the Relevant Exercise Date ("Repayment Date").

What are the risks and what could I get in return?

Summary Risk Indicator

Lower Risk < 1 2 3 4 5 6 7 > Higher Risk



The risk indicator assumes you keep the product until the end of the recommended holding period. The actual risk can vary significantly if you cash in at an early stage and you may get back less. You may have to pay significant extra costs to cash in early.

The summary risk indicator is a guide to the level of risk of this Product compared to other products. It shows how likely it is that the Product will lose money because of movements in the markets or because we are not able to pay you. We have classified this Product as 4 out of 7, which is a medium risk class. This rates the potential losses from future performance at a medium level, and poor market conditions are very unlikely to impact our capacity to pay you. **Be aware of currency risk. You will receive payments in a different currency, so the final return you will get depends on the exchange rate between the two currencies. This risk is not considered in the indicator shown above.** This Product does not include any protection from future market performance so you could lose some or all of your investment. If we are not able to pay you what is owed, you could lose your entire investment.

Performance Scenarios

Market developments in the future cannot be accurately predicted. The scenarios shown are only an indication of some of the possible outcomes based on recent returns. Actual returns could be lower.

Investment USD 10'000

Scenarios		1 year	3 years	5 years (recommended holding period)
Stress scenario	What you might get back after costs	USD 5'831.57	USD 4'934.32	USD 3'947.59
	Average return each year	-41.68% p.a.	-20.98% p.a.	-16.96% p.a.
Unfavourable scenario	What you might get back after costs	USD 9'367.91	USD 10'774.47	USD 13'004.84
	Average return each year	-6.32% p.a.	2.52% p.a.	5.40% p.a.
Moderate scenario	What you might get back after costs	USD 11'403.75	USD 15'127.94	USD 20'113.05
	Average return each year	14.04% p.a.	14.80% p.a.	15.00% p.a.
Favourable scenario	What you might get back after costs	USD 13'849.55	USD 21'186.29	USD 31'039.19
	Average return each year	38.50% p.a.	28.44% p.a.	25.42% p.a.

This table shows the money you could get back over the next 5 years, under different scenarios, assuming that you invest USD 10'000. The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other Products. The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies, and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the Product. The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you. This product cannot be easily cashed in. This means it is difficult to estimate how much you would get back if you cash in before the end of the recommended holding period. You will either be unable to cash in early or you will have to pay high costs or make a large loss if you do so. The figures shown include all costs of the Product itself, but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

What happens if Zürcher Kantonalbank is unable to pay out?

If Zürcher Kantonalbank becomes insolvent, investors should in the worst case be prepared to suffer a total loss of their investment. The Product is not covered by any statutory or other deposit protection scheme. If the issuer is subject to any resolution measures (e.g. bail-in), your claim rights may be reduced to zero, converted into equity or its maturity date may be altered.

What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs. The amounts shown here are the cumulative costs of the Product itself, for three different holding periods. They include potential early exit penalties. The figures assume you invest USD 10'000. The figures shown are estimates and may change in the future. In particular, the figures rely on reasonable assumptions in relation to the existence of any fees levied for transaction costs (which represent 0.1% of the notional respective transaction volume), as well as annual fees (an investment manager fee of 0.00% and an administration fee of 0.45% per year).

Costs over time

The person selling you or advising you about this Product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

Investment USD 10'000

Scenarios	If you cash in after 1 year	If you cash in after 3 years	If you cash in at the end of the recommended holding period
Total costs	USD 189.23	USD 428.22	USD 768.15
Impact on return (RIY) per year	1.99% p.a.	1.16% p.a.	0.94% p.a.

Composition of costs

The table below shows:

- the impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period;
- the meaning of the different cost categories.

This table shows the impact on return per year

One-off costs	Entry costs	0.14% p.a.	The impact of the costs already included in the price. This is the most you will pay, and you could pay less. This includes the costs for distribution of your Product.
	Exit costs	n/a	The impact of the costs of exiting your investment when it matures.
Ongoing costs	Portfolio transaction costs	0.28% p.a.	The impact of the costs of us buying and selling underlying instruments for the product.
	Other ongoing costs	0.52% p.a.	The impact of the costs that we (including the Investment Manager) take each year for managing your investments.
Incidental costs	Performance fees, carried interests	n/a	Incidental costs do not apply for this Product.

How long should I hold it and can I take money out early?

Recommended Holding Period: 5 years

The average investor holds this kind of product for about 5 years on average. Furthermore, this period enhances the comparability with other investment products without a fixed lifetime.

The term of the Product is indefinite. The Product provides an Early Redemption Right of the investor as defined in the final terms of the Product. In addition the investor has the possibility to cash in the Product earlier by selling the Product through the exchange where the Product is listed or to the Product Manufacturer/Issuer outside of such exchange. The Product Manufacturer will endeavour to provide bid and offer prices for the Product on each business day under normal market conditions, but is under no legal obligation to do so. A sale of the Product may in particular not be possible under exceptional market circumstances or in case of technical disruptions.

How can I complain?

Any complaint regarding the person advising on, or selling, the product can be submitted directly to that person via the relevant website. Any complaint regarding the Product (terms), this document or the conduct of the Product Manufacturer can be submitted in writing to Zürcher Kantonalbank, P.O. Box, 8010 Zurich, or via e-mail to documentation@zkb.ch, or visit our website zkb.ch/strukturierteprodukte.

Other relevant information

This key information document does not contain all information relating to this Product. Please refer to the underlying prospectus for the legally binding final terms of the Product as well as a detailed description of the risks and rewards associated with this Product. The prospectus is drafted pursuant to Swiss prospectus requirements and is available on zkb.ch/strukturierteprodukte, and a paper copy of this document may be obtained free of charge from Zürcher Kantonalbank, P.O. Box, 8010 Zurich, Switzerland, to the attention of Legal Emissionsgeschäft, VRIE. The information contained in this key information document does not constitute a recommendation to buy or sell the Product and is no substitute for individual consultation with the investor's bank or advisor. Any updated version of this key information document will be published on: zkb.ch/strukturierteprodukte.