

5.00% p.a. ZKB Autocallable RC Defensive on worst of Novartis rs/Logitech Intl rs/Schindler Hldg pc/SIKA rs/Holcim s

26.08.2021 - 26.08.2024 | Swiss Security Code 58 533 265

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 Autocallable RC Defensive SSPA Category: Reverse Convertible with Autocallable Feature (1220, acc. to the Swiss Derivative Map) ISIN: CH0585332650 Symbol: Z21DBZ Issuer: Zürcher Kantonalbank Finance (Guernsey) Limited Underlyings: <ul style="list-style-type: none"> - Novartis AG registered share - Logitech International SA registered share - Schindler Holding Ltd participation certificate - SIKA AG registered share - Holcim Ltd registered share Initial Fixing Date: 19 August 2021 Settlement Date: 26 August 2021 Final Fixing Date: 19 August 2024 Redemption Date: 26 August 2024 Type of settlement: cash or physical Coupon: 5.00% p.a. Cap Level: 70.00% of Initial Fixing Level Call Level: 100.00% 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 5'000'000, with 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: Application to list on the SIX Swiss Exchange will be filed, planned first trading day will be 26 August 2021

Final Terms

1. Product Description

Product Category/Name

Yield Enhancement/Reverse Convertible with Autocallable Feature (1220, 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 Finance (Guernsey) Limited, Saint Peter Port, Guernsey Zürcher Kantonalbank Finance (Guernsey) Limited is a wholly owned and fully consolidated subsidiary of Zürcher Kantonalbank. It is not subject to any direct prudential supervision neither in Guernsey nor in Switzerland and does not have a rating.				
Keep-Well Agreement	Zürcher Kantonalbank Finance (Guernsey) Limited is a fully owned subsidiary of Zürcher Kantonalbank. Zürcher Kantonalbank obtains the following ratings: Standard & Poor's: AAA, Moody's: Aaa, Fitch: AAA. Zürcher Kantonalbank is committed to Zürcher Kantonalbank Finance (Guernsey) Limited with sufficient financial means, allowing to satisfy any claims of its creditors in due time. The full text of the Keep-Well Agreement, which is subject to Swiss law, can be found in the publicly available base prospectus.				
Lead Manager, Paying Agent, Exercise Agent and Calculation Agent	Zürcher Kantonalbank, Zurich				
Symbol/ Swiss Security Code/ISIN	Z21DBZ/ 58 533 265/CH0585332650				
Notional Amount/Denomination/ Trading Units	Up to CHF 5'000'000, with 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	CHF				
Underlying	Novartis AG registered share/CH0012005267/SIX Swiss Exchange /Bloomberg: NOVN SE Logitech International SA registered share/CH0025751329/SIX Swiss Exchange /Bloomberg: LOGN SE Schindler Holding Ltd participation certificate/CH0024638196/SIX Swiss Exchange /Bloomberg: SCHP SE SIKA AG registered share/CH0418792922/SIX Swiss Exchange /Bloomberg: SIKA SE Holcim Ltd registered share/CH0012214059/SIX Swiss Exchange /Bloomberg: HOLN SE				
Initial Fixing Level (100%) Call Level (100%) Cap Level (70.00%) Ratio	Underlying	Initial Fixing Level	Call Level	Cap Level	Ratio
	Novartis rs	85.41	85.4100	59.7870	16.726044
	Logitech Intl rs	95.32	95.3200	66.7240	14.987111
	Schindler Hldg pc	298.40	298.4000	208.8800	4.787438
	SIKA rs	325.20	325.2000	227.6400	4.392901
	Holcim s	51.48	51.4800	36.0360	27.750028
Call Level	100.00% of Initial Fixing Level				
Cap Level	70.00% of Initial Fixing Level				
Coupon	The Coupon Payment of 1.25% quarterly occurs independently of the levels of the Underlyings on the respective Observation Date. Interest payment: 0.0000% p.a.; Premium payment: 5.0000% p.a.				

Coupon Payment Dates/Payments	Coupon Payment Date _t *	Coupon Payment _t
t = 1	26.11.2021	1.25%
t = 2	28.02.2022	1.25%
t = 3	27.05.2022	1.25%
t = 4	26.08.2022	1.25%
t = 5	28.11.2022	1.25%
t = 6	27.02.2023	1.25%
t = 7	26.05.2023	1.25%
t = 8	28.08.2023	1.25%
t = 9	27.11.2023	1.25%
t = 10	26.02.2024	1.25%
t = 11	27.05.2024	1.25%
t = 12	26.08.2024	1.25%

* modified following business day convention

Observation Dates/Early Redemption Dates

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

	Observation Date	Early Redemption Date t *
$t = 1$	19.08.2022	26.08.2022
$t = 2$	21.11.2022	28.11.2022
$t = 3$	20.02.2023	27.02.2023
$t = 4$	19.05.2023	26.05.2023
$t = 5$	21.08.2023	28.08.2023
$t = 6$	20.11.2023	27.11.2023
$t = 7$	19.02.2024	26.02.2024
$t = 8$	17.05.2024	27.05.2024

If an exchange is closed on an Observation Date, the next following day where all exchanges are open will be used for the calculation of the Underlying (modified following business day convention).

Initial Fixing Date	19 August 2021
Settlement Date	26 August 2021
Last Trading Date	19 August 2024
Final Fixing Date	19 August 2024
Redemption Date/ Date of Delivery	26 August 2024
Initial Fixing Level	Closing prices of Underlyings on the relevant exchanges on 19 August 2021
Final Fixing Level	Closing prices of Underlyings on the relevant exchanges on 19 August 2024
Redemption Method	Early Redemption:

Early Redemption is dependent on the Underlying's price level on the respective Observation Date.

- If all Underlyings on the Observation Date trade at or above the Call Level, the product will be redeemed early at 100% of the Denomination.
- If one or more Underlyings trades below the Call Level on the Observation Date, the product continues.

Redemption at Maturity:

If all Underlyings close at or above the Cap Level on the Final Fixing Date, cash redemption will be 100% of the Denomination. If the closing price of one or more Underlyings trades below the Cap Level on the Final Fixing Date, the investor will receive a physical delivery of an amount of Underlyings as defined in Ratio per Denomination CHF 1'000 of the worst performing Underlying between the Initial Fixing Date and the Final Fixing Date (Fractions will be paid in cash, no cumulation).

The payment of the Coupons occurs on the respective Payment Dates independently of the Underlyings' performance.

Listing/Secondary market	Application to list on the SIX Swiss Exchange will be filed, planned first trading day will be 26 August 2021.
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 to partners outside the group	No distribution fees are paid out to distribution partners of this structured product outside the group.
Distribution fees to partners inside the group	Distribution fees are paid out to the Lead Manager and amount to 0.1667% p.a.

Sales: 044 293 66 65

SIX Telekurs: .zkb
Internet: www.zkb.ch/finanzinformationen

Reuters: ZKBSTRUCT
Bloomberg: ZKBY <go>

Key Elements of the product

ZKB Autocallable RC Defensive on worst of is an investment product, which can be redeemed early quarterly - depending on the performance of the underlyings. The product pays attractive quarterly Coupons during its lifetime

An above-average return will be reached if the Underlying trades sideways or slightly higher than at Initial Fixing Date. If one or more of the Underlyings trade below the Cap Level at Final Fixing Date, the investor receives a physical delivery of a predefined number of the worst performing Underlying (between Initial Fixing Date and Final Fixing Date) according to Redemption Method. Because of the Cap Level below 100%, the cost price of the Underlying is lower in case of physical delivery. As a result, the loss in case of physical delivery of the Underlying is lower than in case of a direct investment. If all Underlyings trade at or above the Cap Level at Final Fixing Date, Redemption will be 100 % of the Denomination in cash. During the lifetime, ZKB Autocallable RC Defensive on worst of are traded flat accrued interest, i.e. accrued interest is included in the trading price.

Taxes

The product is considered as transparent Non-IUP (Intérêt Unique Prédominant). The Coupon of 1.2500% (5.0000% p.a.) is divided in an option premium payment of 1.2500% (5.0000% p.a.) and an interest payment of 0.0000% (0.0000% p.a.). The option premium part qualifies as capital gain and is not subject to Swiss income tax for privat investors with Swiss tax domicile. The interest part is subject to Swiss income tax at payment time. The product is not subject to Swiss withholding tax.

The Federal securities transfer stamp tax is levied on secondary market transactions of this product. In the case of physical delivery of the Underlying at maturity the Federal securities transfer stamp tax will be levied on the basis of the Cap Level.

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). 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 at Maturity

Profit and Loss Expectations at Maturity

ZKB Autocallable RC Defensive on worst of

Worst Underlying		Redemption		
Price	Percent	Structured product	Coupon	Performance %
CHF 34.164	-60%	CHF 571.43	CHF 150.00	-27.86%
CHF 51.246	-40%	CHF 857.14	CHF 150.00	0.71%
CHF 68.328	-20%	CHF 1'000.00	CHF 150.00	15.00%
CHF 85.410	0%	CHF 1'000.00	CHF 150.00	15.00%
CHF 102.492	+20%	CHF 1'000.00	CHF 150.00	15.00%
CHF 119.574	+40%	CHF 1'000.00	CHF 150.00	15.00%
CHF 136.656	+60%	CHF 1'000.00	CHF 150.00	15.00%

Source: Zürcher Kantonalbank

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

If at maturity all Underlyings trade higher or equal to the Cap Level, the performance of the structured product will be at the over the lifetime paid out Coupon (according to Coupon Payment Date(s)) of 15.00%. If at maturity one or more Underlyings trade below the Cap Level, the investor will receive physical delivery of the Underlying with the worst relative performance (between Initial Fixing Date and Final Fixing Date). I.e. the investor may suffer a partial or total loss. The cost price of the delivered Underlyings is at 70.00% of the Initial Fixing Value. As a result, the negative performance of the structured product is lower than the negative performance of the worst performing Underlying.

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 Novartis 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.

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 delivery of an Underlying share at maturity, limited to the difference between the purchase price of the structured product and the value of the Underlying shares at maturity. The value of the worst performing Underlying share can then be lower than the Cap Level. The product is denominated in 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 structured products which the previous Issuer owed in respect of these structured products, (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 structured products and the assumption of the obligations under the assigned structured products.

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 and Zürcher Kantonalbank.

Responsibility for the Final Terms

Zürcher Kantonalbank, Zürich, and Zürcher Kantonalbank Finance (Guernsey) Limited, Guernsey, assume responsibility for the content of these Final Terms and hereby declare that, to their knowledge, the information contained in these Final Terms is correct and no material circumstances have been omitted.

Zurich, 19 August 2021, last update on 20 August 2021