

6.3853% p.a. ZKB Callable Reverse Convertible Defensive on worst of Sonova Holding AG/Lonza Group AG/Straumann Holding AG

06/07/2022 - 08/07/2024 | Swiss Security Code 113,977,177

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 Callable Reverse Convertible on worst of
SSPA category:	Reverse Convertible (1220, acc. Swiss Structured Products Association)
ISIN:	CH1139771773
Issuer:	Zürcher Kantonalbank
Underlyings:	Sonova Holding AG/Lonza Group AG/Straumann Holding AG
Initial Fixing Date:	29/06/2022
Payment Date:	06/07/2022
Final Fixing Date:	01/07/2024
Redemption Date:	08/07/2024
Cap Level:	70.00% of Initial Fixing Value
Mode of settlement:	cash or physical
Coupon:	6.3853% p.a. of Denomination
Information on the offer and admission to trading	
Place of the offer:	Switzerland
Issue amount/ Denomination/Trading units:	CHF 50,000, without the right to increase/CHF 1,000 Denomination per structured product/CHF 1,000 or multiples thereof
Issue price:	100.00% of Denomination (CHF 1,000)
Information on listing:	The product shall not be listed on an exchange.

Final Terms

Derivative Category/Designation

Regulatory Notification

Issuer

1. Product specific conditions and product description

Yield Enhancement / Reverse Convertible (1220, acc. Swiss Structured Products Association)

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.

Zürcher Kantonalbank, Zurich

Zürcher Kantonalbank

Rating of the Issuer	Standard & Poors AAA, Moody's Aaa, Fitch AAA
Lead Manager, Paying Agent, Exercise Agent and Calculation Agent	Zürcher Kantonalbank, Zurich
Swiss Security Code/ISIN	113,977,177/CH1139771773
Issue amount/ Denomination/Trading units	CHF 50,000, without the right to increase/CHF 1,000 Denomination per structured product/CHF 1,000 or multiples thereof
Issue price	100.00% of Denomination (CHF 1,000)
Currency	CHF
Currency Hedge	No
Mode of settlement	cash or physical

Underlying(s)

Underlying	Type of Underlying Domicile	ISIN Bloomberg	Reference exchange/ Price source
Sonova Holding AG	registered share Switzerland	CH0012549785 SOON SE Equity	SIX Swiss Exchange
Lonza Group AG	registered share Switzerland	CH0013841017 LONN SE Equity	SIX Swiss Exchange
Straumann Holding AG	registered share Switzerland	CH0012280076 STMN SE Equity	SIX Swiss Exchange

Information on Levels

Underlying	Initial Fixing Value	Cap Level	Ratio
Sonova Holding AG	CHF 298.8000 (100.00% of Initial Fixing Value)	CHF 209.1600 (70.00% of Initial Fixing Value)	4.781029
Lonza Group AG	CHF 498.3000 (100.00% of Initial Fixing Value)	CHF 348.8100 (70.00% of Initial Fixing Value)	2.866890
Straumann Holding AG	CHF 111.4500 (100.00% of Initial Fixing Value)	CHF 78.0150 (70.00% of Initial Fixing Value)	12.818048

Coupon 6.3853% p.a. per Denomination CHF 1,000
Interest part: 0.9745% p.a.; Premium part: 5.4108% p.a.

Coupon Date(s)/ Coupon Payment(s)	Coupon Date _t *		Coupon Payment _t
	t = 1	08/10/2022	1.5963%
	t = 2	08/01/2023	1.5963%
	t = 3	08/04/2023	1.5963%
	t = 4	08/07/2023	1.5963%
	t = 5	08/10/2023	1.5963%
	t = 6	08/01/2024	1.5963%
	t = 7	08/04/2024	1.5963%
	t = 8	08/07/2024	1.5963%

* modified following business day convention

Coupon Calculation Method 30/360

Initial Fixing Date/ Initial Fixing Value	Sonova Holding AG: theoretically calculated price of the underlying at 14:27:30 CET on 29/06/2022 Lonza Group AG: theoretically calculated price of the underlying at 14:27:30 CET on 29/06/2022 Straumann Holding AG: theoretically calculated price of the underlying at 14:27:30 CET on 29/06/2022
Payment Date	06/07/2022
Last Trading Date	01/07/2024
Final Fixing Date/ Final Fixing Value	Sonova Holding AG: closing price of the underlying on SIX Swiss Exchange on 01/07/2024 Lonza Group AG: closing price of the underlying on SIX Swiss Exchange on 01/07/2024 Straumann Holding AG: closing price of the underlying on SIX Swiss Exchange on 01/07/2024

**Observation Dates/
Early Redemption Dates**

	Observation Date_t*	Early Redemption Date_t*
t = 1	03/07/2023	10/07/2023
t = 2	02/10/2023	09/10/2023
t = 3	28/12/2023	08/01/2024
t = 4	28/03/2024	08/04/2024

* 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

**Redemption Date
Redemption method**

**08/07/2024
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. Information flow about redemption is stated in section "Notices" and will immediately take effect on the Observation Date, but no later than on the following bank business day.

- If the Issuer exercises its one-sided early redemption right on an Observation Date, the investor receives a cash payment on the corresponding Early Redemption Date in the amount of the Denomination plus Coupon Payment for the respective period.
- If the Issuer does not exercise its one-sided early redemption right on an Observation Date, the product continues to run until the next Observation Date.

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

Redemption at maturity

If the Final Fixing Value of all Underlyings is at or above the Cap Level, the product will be redeemed in cash at Denomination.

If the Final Fixing Value of at least one Underlying is below its Cap Level, a physical delivery of the worst performing Underlying (between Initial Fixing Date and Final Fixing Date). The number of Underlyings per Denomination is defined in Ratio (fractions will be paid in cash, no cumulation).

The Coupons are paid out on the respective Coupon Date not depending on the performance of the Underlyings.

**Listing
Quotation Type
Clearing Agent
Distribution Fees**

The product shall not be listed on an exchange. The Issuer commits to quote bid prices.

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

SIX SIS AG/Euroclear/Clearstream

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 product.

Key elements of the product

A ZKB Reverse Convertible Defensive on worst of is an investment product, which can be redeemed early on different dates at the discretion of the Issuer. The product pays out coupons on defined dates during the term. This product is a combined investment instrument that essentially consists of a fixed income security and the sale of a put option. This allows the investor to benefit from the current volatility of the Underlyings. An above-average return is achieved when prices fall slightly, stagnate or rise slightly. If the Final Fixing Value of all Underlyings is at or above the Cap Level, the investor receives a cash redemption in the amount of the Denomination. If the Final Fixing Value of the Underlying is below the Cap Level, the investor will receive a physical delivery of a number of Underlyings of the Underlying with the worst performance between Initial Fixing Date and Final Fixing Date.

Tax aspects

The product is considered as transparent and has no predominant one-off interest (Non-IUP). The Coupon of 6.3853% p.a. is divided into a premium payment of 5.4108% p.a. and an interest payment of 0.9745% 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 payment is subject to income tax at the time of payment. The Swiss withholding tax is levied. In the case of physical delivery of the Underlying at maturity, the federal securities transfer stamp is levied on the basis of the Cap Level. The Federal securities transfer stamp tax is levied on secondary market transactions.

The product may be subject to further withholding taxes or duties, in particular under the rules of FATCA or Sect. 871(m) U.S. Tax Code or foreign financial transaction taxes. All payments from this product are made after deduction of any withholding taxes and levies. The information above is a summary only of the Issuer's understanding of current law and practice in Switzerland relating to the taxation of these 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) 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.

Structured 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 www.zkb.ch/finanzinformationen.

Information on the Underlyings

Information on the performance of the Underlying is publicly available on www.bloomberg.com. The latest annual reports can be accessed directly via the companies' website. The transferability of the Underlyings/Components of the underlying is governed by their statutes.

Notifications

Any notice by the Issuer in connection with this product, in particular any notice in connection with modifications of the terms and conditions will be validly published on the website www.zkb.ch/finanzinformationen. The Swiss security code search button will lead you directly to the relevant product.

**Profit and Loss Expectations at
Maturity**

2. Profit and Loss Expectations at Maturity

ZKB Reverse Convertible Defensive on worst of

Value Worst Underlying	Percent	Redemption	Performance in %
CHF 119.5	-60%	CHF 699.13	-30.09%
CHF 179.3	-40%	CHF 984.85	-1.52%
CHF 239	-20%	CHF 1127.7	12.77%
CHF 298.8	0%	CHF 1127.7	12.77%
CHF 358.6	20%	CHF 1127.7	12.77%
CHF 418.3	40%	CHF 1127.7	12.77%
CHF 478.1	60%	CHF 1127.7	12.77%

The redemption scenario above neglects Early redemption.

If the Final Fixing Value of all Underlyings is at or above the Cap Level, the performance of the product is always given by the Coupons paid out during the term. However, if the Final Fixing Value of at least one Underlying is below the Cap Level, the investor will receive a physical delivery of a number of Underlyings as defined in Ratio of the Underlying having the largest negative performance. The acquisition price of the delivered Underlyings is 70.00% of the Initial Fixing Value, which means that the performance of the product is less negative than the performance of the Underlying. This negative performance is reduced by the guaranteed Coupons paid out during the term. The table above is valid at maturity only and is by no means meant as a price indication for the present product throughout its lifetime. Additional risk factors may have a significant impact on the value of the product during the term. The price quoted on the secondary market can therefore deviate substantially from the above table. For this table it was assumed, that Sonova Holding AG was the worst performing Underlying. This selection is just a representative example of the possible alternatives. If the Final Fixing Value of all Underlyings is at or above the Cap Level, the performance of the product is always given by the Coupons paid out during the term.

3. Material Risks for Investors

Issuer Risk

Obligations under these 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 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 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 ZKB Reverse Convertible Defensive on worst of in the case of a title delivery is limited to the difference between the purchase price of the product and the cumulative value of the number of Underlyings as defined in 'Redemption Method'. The Coupon, which is paid out in any case, reduces the loss of the product compared to a direct investment in the worst performing Underlying. 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.

4. Additional Terms

Modifications

If an extraordinary event as described in the Base prospectus occurs in relation to an Underlying/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.

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 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 products which the previous Issuer owed in respect of these 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 products and the assumption of the obligations under the assigned 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 the Zürcher Kantonalbank are recorded. Investors, who have telephone conversations with these units consent tacitly to the recording.

Further indications

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, 29/06/2022