

# Summary and Securities Note for the Issuance of Bonds and Money Market Paper (Geld- marktpapiere) by the Cantonal Bank of Zurich

**Dated 15 September 2022**

This document consists of a summary within the meaning of articles 43 and 44(2)(c.) and a securities note within the meaning of article 44(2)(b.) of the Swiss Financial Services Act and has been approved by SIX Exchange Regulation Ltd in its capacity as review body pursuant to article 52 of the Swiss Financial Services Act on 15 September 2022.

THIS IS A NON-BINDING ENGLISH TRANSLATION OF THE ISSUERS' "Summary and Securities Note for the Issuance of Bonds and Money Market Paper (Geldmarktpapiere) by the Cantonal Bank of Zurich", PUBLISHED IN GERMAN. THE GERMAN TEXT SHALL BE AUTHORITATIVE AND BINDING. THE ENGLISH LANGUAGE TRANSLATION IS PROVIDED FOR CONVENIENCE ONLY.

## Introduction

### Covered Securities

The Cantonal Bank of Zurich (the **Issuer**) may from time to time issue bonds (the **Bonds**) and/or money market paper (Geldmarktpapiere) in the form of short-term notes (the **STNs** and, together with the Bonds, the **Securities**).

### Summary and Securities Note

This document (this **Document**) has been prepared in connection with the Securities and, following this introduction, is comprised of two parts. Part A is a summary (the **Summary**) within the meaning of articles 43 and 44(2)(c.) of the Swiss Financial Services Act (the **FinSA**), and Part B is a securities note (the **Securities Note**) within the meaning of article 44(2)(b.) of the FinSA. The Issuer may amend and/or supplement this Document from time to time in accordance with the FinSA and references herein to the "Summary" and the "Securities Note" should be construed accordingly. This Document, including the Summary and the Securities Note, was approved as a summary within the meaning of articles 43 and 44(2)(c.), and as a securities note within the meaning of article 44(2)(b.), of the FinSA by SIX Exchange Regulation Ltd in its capacity as review body pursuant to article 52 of the FinSA (the **Swiss Review Body**) on the date specified on page 1.

### Registration Document

The Issuer prepared a registration document dated 25 June 2022 (the **Registration Document**), which has been approved on 24 June 2022 as a registration document within the meaning of article 44(2)(a.) of the FinSA by the Swiss Review Body. The Issuer may supplement, update and/or replace the Registration Document from time to time in accordance with the FinSA and references herein to the "Registration Document" should be construed accordingly.

### Base Prospectus

For purposes of the Securities, this Document, together with the Registration Document, forms a base prospectus consisting of separate documents within the meaning of article 44(2) of the FinSA (collectively, the **Base Prospectus**).

### Terms of the Securities and Prospectus

The specific terms of each tranche of Securities will consist of the General Terms and Conditions of the Bonds or the General Terms and Conditions of the STNs, as the case may be, contained in the Securities Note, as completed, modified, supplemented and/or replaced by the information set out in Part A of the final terms prepared in connection with the offer, sale and, if applicable, admission to trading of such tranche (with respect to such tranche, the **Final Terms**).

In the case of any tranche of Securities, full information on the Issuer and such Securities (including the offer and/or admission to trading thereof) will be available only on the basis of the combination of the applicable Final Terms, the Summary, the Securities Note and the Registration Document, which, together, will constitute the prospectus with respect to such Securities for purposes, and within the meaning, of the FinSA.

**Validity**

Each of this Document and the Registration Document is valid for 12 months from the date of their respective approval by the Swiss Review Body.

**Availability of Documents**

Copies of this Document (including any supplement hereto) and the Registration Document (including the documents incorporated by reference therein and any supplement thereto) can be obtained [(i) in electronic form, free of charge, on the website of the Issuer at [www.zkb.ch](http://www.zkb.ch) or (ii) in electronic or printed form, free of charge, during normal business hours from the registered office of the Issuer at Cantonal Bank of Zurich, IHKT department, Zurich, Switzerland, or by telephone (+41 44 292 20 11) or e-mail to [prospectus@zkb.ch](mailto:prospectus@zkb.ch).

**Responsibility Statement**

The Issuer accepts responsibility for the content of this Document (including the Summary and the Securities Note) and declares that the information contained herein is, to the best of its knowledge, correct and no material facts or circumstances have been omitted herefrom.

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## Part A: Summary

### Summary

This Summary should be read as an introduction to the Base Prospectus. Any decision to invest in any Securities should be based on a consideration of the Base Prospectus as a whole, including any documents incorporated by reference into the Base Prospectus, as completed, modified, supplemented and/or replaced by the information set out in the applicable Final Terms. This Summary is therefore subject to the remaining information contained in the Base Prospectus and in the applicable Final Terms. Potential investors in the Securities should be aware that liability under article 69 of the FinSA for any false or misleading information contained in this Summary is limited to any such information that is false or misleading when read together with, or that is inconsistent with, the other parts of the Base Prospectus, as completed, modified, supplemented and/or replaced by the information set out in the applicable Final Terms.

Capitalised terms used but not defined herein have the meanings assigned to such terms elsewhere in this Document.

### A. Information on the Issuer

Issuer: Cantonal Bank of Zurich (the **Issuer**).  
The Cantonal Bank of Zurich is an independent public-law institution (Anstalt) of the Canton of Zurich. The Issuer's registered office is Bahnhofstrasse 9, 8001 Zurich, Switzerland.

Issuer's auditor: Ernst & Young AG, Maagplatz 1, 8005 Zurich, Switzerland.

### B. Information on the Securities

Securities: The Issuer may from time to time issue bonds (the **Bonds**) and/or money market paper (Geldmarktpapiere) in the form of short-term notes (the **STNs** and, together with the Bonds, the **Securities**).

Series and Tranches: The Securities will be issued in series (each, a **Series**). Each Series may consist of one or more tranches of Securities issued on different issue dates (each, a **Tranche**). The Securities of each Tranche of the same Series will have identical terms in all respects, except for the issue date, the first date on which interest (if any) is paid and/or the first date on which interest (if any) begins to accrue.

The specific terms of each Tranche of Securities will consist of the General Terms and Conditions of the Bonds or the General Terms and Conditions of the STNs, as the case may be, contained in the Securities Note, as completed, modified, supplemented and/or replaced by the information set out in Part A of the final terms prepared in connection with the offer, sale and, if applicable, admission to trading of such Tranche (with respect to such Tranche, the **Final Terms**).

Currency: Each Series of Securities will be denominated in Swiss francs (**CHF**) or such other currency as specified in the applicable Final Terms.

Maturity Date:	The Maturity Date for each Series of Securities will be specified in the applicable Final Terms. Each Series of STNs will have a Maturity Date falling no later than one year from (and including) the Issue Date.
Interest Rate:	<p>Each Series of Bonds may be interest bearing or non-interest bearing. In the case of a Series of Bonds that is interest bearing, interest may accrue at a fixed rate (<b>Fixed Rate Bonds</b>) or variable rate (<b>Floating Rate Bonds</b>), as specified in the applicable Final Terms.</p> <p>Each Series of STNs may be interest bearing or non-interest bearing. In the case of a Series of STNs that is interest bearing, interest may accrue at a fixed rate (<b>Fixed Rate STNs</b>) as specified in the relevant applicable Final Terms.</p>
Denomination	Each Series of Securities will have the denomination specified in the applicable Final Terms.
Status:	The Securities will constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer ranking pari passu and without any preference among themselves and with all other present and future unsecured and unsubordinated obligations of the Issuer, except for such preference as is provided by any mandatory applicable provision of law.
Form:	<p>The Securities will be issued as uncertificated securities (Wertrechte) in accordance with article 973c of the Swiss Code of Obligations, which will be registered in the main register (Hauptregister) of SIX SIS Ltd.</p> <p>Neither the Issuer nor any Holder will at any time have the right to effect or demand the conversion of the uncertificated securities into, or the delivery of, a global certificate (Globalurkunde) or individually certificated securities (Wertpapiere).</p> <p>Notwithstanding the above, upon the occurrence of a Definitive Exchange Event, the Issuer shall cause individually certificated securities (Wertpapiere) to be printed and delivered to the Holders.</p>
Paying Agent:	Unless otherwise specified in the applicable Final Terms, the Cantonal Bank of Zurich will fulfil the role of paying agent with respect to each Series of Securities.
Calculation Agent:	Unless otherwise specified in the applicable Final Terms, the Cantonal Bank of Zurich will fulfil the role of calculation agent with respect to each Series of Floating Rate Bonds.
Governing Law and Jurisdiction:	The Securities will be governed by and construed in accordance with the substantive laws of Switzerland. Any dispute that might arise based on the Securities or out of their conditions will fall within the exclusive jurisdiction of the courts of the City of Zurich, Switzerland.

### C. Information on the Offering

Offering:	Unless otherwise specified in the applicable Final Terms, any offering of Securities will consist of a public offering of such Securities in Switzerland and of private placements of Securities to prospective investors outside of Switzerland and the United States of America (the <b>United States</b> or the <b>U.S.</b> ) in reliance on Regulation S under the U.S. Securities Act of 1933, as amended, in each case in compliance with applicable laws and regulations. See also the section of the Securities Notes titled "Selling Restrictions". Additional information on the offering of any Tranche of Securities will be set out in Part B of the applicable Final Terms.
Issue Price:	The Securities will be issued on a fully-paid basis and at an issue price that is at par or at a discount to, or a premium over, par, as specified in the applicable Final Terms.
Delivery:	Delivery versus payment (DVP).
Clearing and Settlement:	SIX SIS Ltd.  Further clearing and settlement via both Euroclear Bank SA/NV and Clearstream Banking, S.A.
Material Risks:	An investment in Securities involves certain risks. For a discussion of certain risks that potential investors should carefully consider before deciding to invest in any Securities, see the section of the Securities Note titled "Material Risks relating to the Securities" and the section of the Registration Document titled "Wesentliche Risiken in Bezug auf die Emittentinnen—A. Zürcher Kantonalbank".

### D. Information on Admission to Trading and Listing

Swiss Trading Venue:	SIX Swiss Exchange, with BX Swiss also being an option for STNs.
Admission to Trading and Listing:	With respect to each Tranche of Securities, the Issuer will apply to have such Tranche of Securities to be admitted to trading and listed on the SIX Swiss Exchange or, for STNs, optionally also on the BX Swiss. Additional information on the admission to trading and listing of any Tranche of Securities on the SIX Swiss Exchange and on BX Swiss will be set out in Part B of the applicable Final Terms.

### E. Information on Base Prospectus Approval and Final Terms

Swiss Review Body:	SIX Exchange Regulation Ltd, Hardturmstrasse 201, 8005 Zurich, Switzerland (the <b>Swiss Review Body</b> ).
Base Prospectus Date and Approval:	The document of which this Summary and the Securities Note forms a part is dated 15 September 2022 and was approved as a summary within the meaning of articles 43 and 44(2)(c.), and a securities note within the meaning of article 44(2)(b.), of the FinSA by the Swiss Review Body on the date specified on page 1.

The Registration Document is dated 25 June 2022, and was approved as a registration document within the meaning of article 44(2)(a.) of the FinSA by the Swiss Review Body on, 24 June 2022.

Final Terms:

The Final Terms for each Tranche of Securities to be issued will be published and filed with the Swiss Review Body as soon as the final terms of such Securities are available, but in any case no later than the first day of trading for such Securities on the SIX Swiss Exchange or the BX Swiss. The Final Terms will not be approved by the Swiss Review Body.

## Part B: Securities Note

### General Information

#### Admission to Trading and Listing; Recognised Representative

With respect to each Tranche of Securities, the Issuer will apply to have such Tranche of Securities to be admitted to trading and listed on the SIX Swiss Exchange or on BX Swiss.

In connection with each Tranche of Securities to be listed on the SIX Swiss Exchange, in accordance with article 58a of the Listing Rules of the SIX Swiss Exchange dated 15 July 2022, and effective as of 25 July 2022, the Issuer will file the application with SIX Exchange Regulation Ltd in its capacity as competent authority for the admission to trading (including the provisional admission to trading) and listing of such Securities on the SIX Swiss Exchange.

In connection with each Tranche of Securities to be listed on the BX Swiss, in accordance with the Listing Rules of the BX Swiss AG dated 20 November 2020, and effective as of 20 November 2020, the Issuer will file the application with BX Swiss in its capacity as competent authority for the admission to trading and listing of such Securities on the BX Swiss.

#### Authorisation

Unless otherwise specified in the applicable Final Terms, (i) the Issuer's Chief Financial Officer will approve each issuance of Bonds and (ii) the Issuer's Head of Cash and Collateral Trading will approve each issuance of STNs, and, in each case, the date of such approval will be specified in the Final Terms.

#### Use of Proceeds

Unless otherwise specified in the applicable Final Terms, the net proceeds from each issuance of Bonds will be used by the Issuer for (i) the long-term refinancing of its business activities, or (ii) if such Bonds are identified in the Final Terms as "green" bonds, the refinancing of existing and future sustainable mortgages (ZKB Umweltdarlehen) as well as the financing of projects with energetic objectives at office buildings used by the Issuer (Internal Projects) according to the Green Bond Framework (for more information, see "Further Information on Green Bonds" beginning on page 26 of this Securities Note).

Unless otherwise specified in the applicable Final Terms, the net proceeds from each issuance of STNs will be used by the Issuer for the liquidity management of its operating business.

#### State Guarantee of the Canton of Zurich

The Issuer benefits from a state guarantee as set forth in the Cantonal Constitution (Article 109 of the Constitution of the Canton of Zurich dated 27 February 2005 (Instituts- und Bestandesgarantie)). Pursuant to §6 of the Law on the Zurich Cantonal Bank of 28 September 1997, the Canton of Zurich will be liable for all (non-subordinated) obligations of the Issuer (including the Securities) if the Issuer's own funds are insufficient. This liability of the Canton of Zurich is a (subsidiary) default liability (subsidiäre Ausfallhaftung).

#### Terminology

Capitalised terms used but not defined in a particular section of this Securities Note have the meanings assigned to such terms elsewhere in this Securities Note.

## Selling Restrictions

### United States

The Securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the **Securities Act**) or any state securities laws. Subject to certain exceptions, the Securities may not be offered, sold, resold or delivered, directly or indirectly, within the United States of America or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act).

### Public Offer Selling Restriction under the Prospectus Regulation

Except as otherwise provided herein in relation to each Member State of the European Economic Area (the **EEA**) and the United Kingdom (each, a **Relevant State**), the Issuer represents and agrees that it has not made, and will not make, an offer of Securities that are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to the public in that Relevant State except that it may make an offer of such Securities to the public in that Relevant State at any time:

- (i) to any legal entity that is a qualified investor as defined in the Prospectus Regulation;
- (ii) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation); or
- (iii) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Securities referred to in clauses (i) to (iii) above shall require the Issuer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation.

For the purposes of this provision, the expression an **offer of Securities to the public** in relation to any Securities in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe the Securities, and the expression **Prospectus Regulation** means Regulation (EU) 2017/1129, in case of the UK as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018.

### United Kingdom

The Issuer represents and agrees that:

- (i) in relation to any Securities that have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any such Securities other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of such Securities would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000, as amended (the **FSMA**) by the Issuer;
- (ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the Securities in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

- (iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Securities in, from or otherwise involving the United Kingdom.

**No Swiss Key Information Document (Basisinformationsblatt)**

In accordance with article 59(1) of the Swiss Financial Services Act, no Swiss Key Information Document is required for, and no Swiss Key Information Document has been or will be prepared for, the offering of the Securities.

## **Material Risks Relating to the Securities**

An investment in the Securities involves risks, including the risk of loss of a holder's entire investment in the Securities. Investors should reach their own investment decision with regard to the Securities and only after consultation with their own financial and legal advisers about risks associated with an investment in the Securities, and the suitability of investing in the Securities in light of their particular circumstances.

The Issuer believes that the risks specific to the Securities described below represent material risks inherent in investing in the Securities, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Securities or otherwise fulfil its obligations in connection with the Securities, may occur for other reasons that may not be considered material risks by the Issuer based on information currently available to it or that it may not currently anticipate. In addition, certain factors that are material for the purpose of assessing the market risks associated with the Securities are described below. Prospective investors should give careful consideration to the following risks in evaluating the merits and suitability of an investment of the Securities. Prospectus investors should also read the detailed information set out elsewhere in the Base Prospectus, including the material risks specific to the Issuer that are described in the section of the Registration Document titled "Wesentliche Risiken in Bezug auf die Emittentinnen—A. Zürcher Kantonalbank", and reach their own views prior to making an investment decision.

The sequence in which the risks are presented below is not indicative of their likelihood of occurrence or the potential magnitude of their financial consequences.

## **Risks relating to the Securities generally**

### **The terms of the Securities contain no restriction on the amount or type of further securities or indebtedness that the Issuer may issue**

The terms of the Securities do not contain any restriction on the amount or type of further securities or indebtedness that the Issuer may issue, incur or guarantee that rank senior to, or pari passu with, the Securities. The issue or guaranteeing of any such further securities or indebtedness may limit the ability of the Issuer to meet its obligations under the Securities, and may reduce the amount recoverable by holders under the Securities upon a liquidation or winding-up of the Issuer.

### **Risks relating to the terms of a particular issue of Bonds**

A range of Bonds may be issued under the issuance program contemplated in this Securities Note. A number of these Bonds may have features which contain particular risks for potential investors. Set out below is a description of the most common such features:

### **An investment in Fixed Rate Bonds involves risks relating to changes in the interest rate environment**

Fixed Rate Bonds bear interest at a fixed rate, which means that an investment in such Bonds involves the risk that if market interest rates subsequently increase above such fixed rate of interest, the real return on (and value of) such Bonds will be adversely affected.

### **The method pursuant to which the rate of interest for any Floating Rate Bond is determined may adversely affect the value of and return on such Bonds**

Certain reference rates are deemed to be "benchmarks" and are the subject of ongoing national and international regulatory scrutiny and reforms. Some of these reforms are already effective,

while others are still to be formulated or implemented. As a result, if such a “benchmark” is specified as the Reference Rate for the purposes of determining the rate of interest for a Series of Floating Rate Bonds, there can be no guarantee that such Reference Rate will be determined, in the future, on the same basis as at the relevant Issue Date (if at all). In such case, any additional material risks specific to such Reference Rate will be described in the applicable Final Terms.

More generally, any of the above mentioned changes or any other consequential changes to any “benchmark” on which interest payments under any Floating Rate Bonds are based as a result of international, national, or other proposals for reform or other initiatives or investigations, or any further uncertainty in relation to the timing and manner of implementation of such changes, could have a material adverse effect on the value of and return on such Bonds.

Alternatively, the rate of interest for a Series of Floating Rate Bonds may be determined by reference to one of the risk free rates (including an overnight rate) that are being developed as an alternative to LIBOR. The use of these risk free rates as reference rates is nascent, and is subject to change and development, both in terms of the substance of the calculation and in the development and adoption of market infrastructure for the issuance and trading of debt securities referencing any such risk free rates.

Accordingly, prospective investors in any Floating Rate Bonds referencing such a risk free rate should be aware that the market continues to develop in relation to such rate as a reference rate in the capital markets and its adoption as an alternative to the applicable LIBOR. In addition, the rate of interest on Floating Rate Bonds referencing a risk free rate may not be capable of being determined until immediately prior to the relevant Interest Payment Date. In such case, it may be difficult for investors in any such Floating Rate Bonds to estimate reliably the amount of interest which will be payable on such Floating Rate Bonds, and some investors may be unable or unwilling to trade such Floating Rate Bonds without changes to their technology systems, both of which factors could adversely impact the liquidity of such Floating Rate Bonds. In the case of any Floating Rate Bonds with respect to which the rate of interest is determined by reference to a risk free rate, any additional material risks specific to such risk free rate will be described in the applicable Final Terms.

### **Risks relating to the market generally**

Set out below is a brief description of the principal market risks:

#### **An active trading market for any Securities may not develop**

Each Series of Securities will be new securities, which may not be widely distributed, and for which there is currently no active trading market. An active trading market for the Securities may never develop, or if one does develop, it may not be sustained or it may not be liquid. Therefore, investors may not be able to sell their Securities easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market.

Although application will be made for the admission to trading and listing of the Securities on the SIX Swiss Exchange or BX Swiss, there can be no assurance that such application will be accepted or that an active trading market in the Securities will develop. Accordingly, there can be no assurance as to the development or liquidity of any trading market for the Securities. Illiquidity may have a severely adverse effect on the market value of the Securities.

### **The market value of any Securities may be influenced by unpredictable factors**

Many factors, most of which will be beyond the Issuer's control, will influence the value of any Series of Securities and the price, if any, at which securities dealers may be willing to purchase or sell such Securities in the secondary market, including:

- (i) the creditworthiness of the Issuer and, in particular its results of operations, financial condition and liquidity profile;
- (ii) supply and demand for such Securities, including inventory with any securities dealer; and
- (iii) economic, financial, political or regulatory events or judicial decisions that affect the Issuer or the financial markets generally.

Accordingly, if a holder sells its Securities in the secondary market, it may not be able to obtain a price equal to the principal amount of such Securities or a price equal to the price that it paid for such Securities.

### **The Issuer's credit rating may not reflect all risks of an investment in the Securities**

The Issuer's credit rating may not reflect the potential impact of all risks relating to the market values of any Securities. However, real or anticipated changes in the Issuer's credit rating will generally affect the market values of the Securities or may result in a downgrade in the ratings for the Securities. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

### **Exchange rate risks and exchange controls**

The Issuer will pay principal and interest (if any) on the Securities in CHF, EUR, GBP or USD, whichever is specified in the applicable Final Terms (the Specified Currency). This presents certain risks relating to currency conversions if the financial activities of an investor in the Securities are denominated principally in a currency or currency unit (the Investor's Currency) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Swiss franc or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (i) the Investor's Currency-equivalent yield on the Securities, (ii) the Investor's Currency-equivalent value of the principal payable on the Securities, and (iii) the Investor's Currency-equivalent market value of the Securities.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors in Securities may receive less interest (if applicable) or principal than expected, or no interest or principal.

## General Terms and Conditions of the Bonds

### 1. Conditions of the Bonds

These general terms and conditions of the Bonds (the **General Terms and Conditions**) shall be completed, supplemented, amended or replaced by the information contained in Part A of the applicable final prepared with respect to the issue of a tranche of Bonds (the **Tranche**, and the Bonds held by the respective holders, the **Bonds**) of the Cantonal Bank of Zurich (the **Issuer**) (the Final Terms, and the General Terms and Conditions as so completed, supplemented, amended or replaced by the relevant Final Terms, the **Conditions**). To the extent that the information in Part A of the Final Terms completes, supplements, amends or replaces these General Terms and Conditions, it shall do so only for the purposes of the Tranche to which the relevant Final Terms relate. To the extent that there are inconsistencies between these General Terms and Conditions and the terms and conditions contained in Part A of the applicable Final Terms, the terms and conditions contained in Part A of the applicable Final Terms shall prevail.

### 2. Amount, Denomination and Form

#### (a) Amount and Denomination

The initial aggregate principal amount of the Bonds is specified in the applicable Final Terms. All payments in relation to the Bonds will be made in the same currency as the aggregate principal amount (i.e., in the Specified Currency set forth in the applicable Final Terms). The Bonds are issued to holders in the denomination(s) specified in the applicable Final Terms.

#### (b) Form

The Bonds will be issued in uncertificated form as uncertificated securities (Wertrechte) in accordance with article 973c of the Swiss Code of Obligations, which will be created by the Issuer by means of a registration in a register of uncertificated securities (Wertrechtbuch). Such uncertificated securities will then be entered into the main register (Hauptregister) of SIX SIS Ltd. or any other intermediary in Switzerland recognised for such purposes by the SIX Swiss Exchange (SIX SIS Ltd. or any such other intermediary, the **Intermediary**). Once the uncertificated securities are registered in the main register (Hauptregister) of the Intermediary and entered into the accounts of one or more participants of the Intermediary, the Bonds will constitute intermediated securities (Bucheffekten) within the meaning of the Swiss Federal Intermediated Securities Act (Bucheffektengesetz).

For so long as the Bonds constitute intermediated securities, the Bonds may only be transferred as set out in the provisions of the Swiss Federal Intermediated Securities Act (Bucheffektengesetz) by the entry of the transferred Bonds in a securities account of the transferee. The records of the Intermediary will determine the number of Bonds held through each participant in that Intermediary.

Neither the Issuer nor any holder will at any time have the right to effect or demand the conversion of the Bonds into a permanent global certificate (Globalurkunde) or individually certificated securities (Wertpapiere).

Notwithstanding the foregoing, upon the occurrence of a Definitive Exchange Event (Umwandlungsereignis), the Issuer shall arrange for individually certificated securities to be printed and delivered to the holders. **Definitive Exchange Event** means that (a) SIX SIS Ltd or a successor organisation ceases business activities for at least 14 consecutive days (except for legal or other

holidays), announces the intention to cease business activities permanently or actually ceases business activities permanently and no clearing successor organisation acceptable from the point of view of the Cantonal Bank of Zurich is available and/or (b) the continued central custody of the Bonds in the systems of the Intermediary has negative consequences for the Cantonal Bank of Zurich for legal or regulatory reasons.

### 3. Status

The Bonds constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and rank pari passu with all other present or future unsecured and unsubordinated obligations of the Issuer and without any preference among themselves, except for such preference as is provided by any mandatory applicable provision of law.

### 4. Interest

The applicable Final Terms will indicate whether the Bonds are subject to interest on a fixed rate (**Fixed Rate Bonds**), a floating rate (**Floating Rate Bonds**) or whether no interest will be payable on the Bonds (**Non-Interest Bearing Bonds**).

Business Day Convention means, with respect to any Interest Payment Date (x) for which there is no numerically corresponding day in the calendar month in which such Interest Payment Date should occur or (y) that would otherwise fall on a day that is not a Business Day, if:

- (1) "Following Business Day Convention" is specified in the applicable Final Terms, that such Interest Payment Date will be postponed to the first following Business Day; or
- (2) "Modified Following Business Day Convention" is specified in the applicable Final Terms, that such Interest Payment Date will be postponed to the first following Business Day unless that Business Day falls in the next calendar month in which case such Interest Payment Date will instead be brought forward to the last preceding Business Day; or
- (3) any other Business Day Convention is specified in the applicable Final Terms, that such Interest Payment Date will be adjusted in accordance with such Business Day Convention as described in the applicable Final Terms.

#### (a) Fixed Rate Bonds

This clause (a) applies to Fixed Rate Bonds only.

- (i) The Bonds will bear interest on their principal amount at the applicable fixed rate of interest specified in the applicable Final Terms (the **Fixed Rate of Interest**) from (and including) the Interest Commencement Date to (but excluding) the Maturity Date; provided, however, that if payment with respect to any Bond is improperly withheld or refused on the Maturity Date, interest will continue to accrue on the principal amount of such Bond (both before and after judgment) at the applicable Fixed Rate of Interest to (but excluding) the redemption date. Interest on the Bonds shall be payable in arrears on any date(s) specified in the applicable Final Terms or determined in accordance with the provisions of the applicable Final Terms which (if specified in the applicable Final Terms) dates may be adjusted in accordance with the Business Day Convention specified in the applicable Final Terms (the **Interest Payment Date**).
- (ii) The amount of interest payable in respect of any Bond on any Interest Payment Date or any other date will be calculated by:

- (1) multiplying the applicable Fixed Rate of Interest by the principal amount of such Bond;
- (2) multiplying the product thereof by the Day Count Fraction set forth in the applicable Final Terms; and
- (3) rounding the resulting figure to the nearest sub-unit (with one-half sub-unit being rounded upwards).

**(b) Floating Rate Bonds**

This clause (b) applies to Floating Rate Bonds only.

- (i) The Bonds will bear interest on their principal amount from (and including) the Interest Commencement Date set forth in the applicable Final Terms to (but excluding) the Maturity Date at the applicable floating rate of interest as specified in the applicable Final Terms; provided, however, that if payment with respect to any Bond is improperly withheld or refused on the Maturity Date, interest will continue to accrue on the principal amount of such Bond (both before and after judgment) at the applicable floating rate of interest to (but excluding) the Relevant Date. Interest on the Bonds shall be payable in arrears on any date(s) specified in the applicable Final Terms or determined in accordance with the provisions of the applicable Final Terms which (if specified in the applicable Final Terms) dates may be adjusted in accordance with the Business Day Convention specified in the applicable Final Terms (the **Interest Payment Date**).

**Relevant Date** means, with respect to any payment, the later of (a) the Scheduled Due Date, and (b) if the amount payable on the Scheduled Due Date has not been received in full by the holders on or before the Scheduled Due Date, the date on which the amount payable on the Scheduled Due Date has been received in full by the holders.

- (ii) The amount of interest payable in respect of any Bond on any Interest Payment Date or any other date will be calculated by:
  - (1) multiplying the applicable Floating Rate of Interest by the principal amount of such Bond;
  - (2) multiplying the product thereof by the Day Count Fraction specified in the applicable Final Terms for the respective calculation period; and
  - (3) rounding the resulting figure to the nearest sub-unit (with one-half sub-unit being rounded upwards).
- (iii) The applicable rate of interest for each interest period with a floating rate of interest beginning on (and including) an Interest Payment Date (or, in the case of the first interest period with a floating rate of interest, the Interest Commencement Date) to (but excluding) the next Interest Payment Date (the **Floating Rate Interest Period**) will be the greater of (A) the reference rate with respect to any Floating Rate Interest Period and the relevant Interest Determination Date in relation to such Floating Rate Interest Period as specified in, and calculated by the Calculation Agent in accordance with, the applicable Final Terms plus or minus (as indicated in the applicable Final Terms) the Margin (if any), and (B) zero.
- (iv) With respect to each Floating Rate Interest Period, (A) the Calculation Agent will calculate, as soon as practicable after the time specified as such in the applicable Final Terms as "Specified Time" on the related Interest Determination Date specified in the applicable Final Terms, the reference rate and the applicable Floating Rate of Interest for such Floating Rate Interest Period, and (B) will cause that the Cantonal Bank of Zurich, as Paying Agent,

will cause the Floating Rate of Interest for such Floating Rate Interest Period, together with the related Interest Payment Date, to be notified to (1) the holders in accordance with Condition 10 and (2) any stock exchange or other relevant authority on which the Bonds are at the relevant time listed in accordance with the rules and regulations thereof. At the written request of any holder, the Calculation Agent will provide to such holder the Floating Rate of Interest in effect at the time of such request and, if already determined, the Floating Rate of Interest that will become effective as of the next Interest Payment Date.

#### (c) Non-Interest Bearing Bonds

This clause (c) applies to Non-Interest Bearing Bonds only.

The Bonds do not bear interest.

#### (d) Rounding

Unless otherwise specified, all percentages resulting from any calculation of an amount of interest payable in respect of a Bond pursuant to this Condition 4 will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (.0000001), with five one-millionths of a percentage point rounded upwards.

#### (e) Issuer as Calculation Agent

Unless otherwise specified in the applicable Final Terms, the Issuer shall act as Paying Agent for the Bonds. All confirmations, communications, opinions, determinations, calculations, quotations and decisions made, expressed, made or obtained for the purposes of this Condition 4 shall (except in case of wilful misconduct, bad faith or obvious error) be binding on the Issuer, the Paying Agent and all holders and (except in case of wilful misconduct, bad faith or gross negligence) the Calculation Agent shall not be liable to the holders in connection with the exercise or non-exercise of its powers and duties under this Condition 4. The Calculation Agent shall not be liable to the holders or any other person (i) for obtaining quotes from banks in connection with any decision to be taken by the Calculation Agent in relation to the Bonds or (ii) as a result of the Calculation Agent's response to a quote or other information received or provided by it from any other person or source which subsequently proves to be incorrect. The Calculation Agent shall not be liable for any errors resulting from the use of or reliance on any source of information that was used in good faith and with due care in the calculation of the Bonds.

### 5. Redemption and Purchase

#### (a) Redemption at Maturity

Unless previously purchased and cancelled, the Bonds will be redeemed by the Issuer on the Maturity Date at 100 per cent. of their principal amount.

#### (b) Purchases

The Issuer or any of its affiliates may at any time purchase or procure others to purchase beneficially for its account Bonds in any manner and at any price. Bonds so purchased may, at the Issuer's discretion, be held, resold or surrendered to the Paying Agent for cancellation.

#### (c) Cancellation

All Bonds purchased and surrendered to the Paying Agent pursuant to Condition 5(b) will immediately be cancelled upon surrender and may not be reissued or resold.

## 6. Payments

- (a) All payments required to be made by the Issuer under the Bonds will be made to the holders in the Specified Currency without collection costs, without any restrictions and whatever the nationality, domicile or residence of the relevant holder and without certification, affidavit or the fulfilment of any other formality.
- (b) If the due date for any payment (whether in respect of principal, interest or otherwise) in respect of the Bonds is not a day on which commercial banks process payments and are open for general business (including trading in foreign exchange and foreign currencies) in Zurich and any other financial centre specified in the section "Business Days" of the applicable Final Terms (each such day a **Business Day**), the holders shall not be entitled to (i) make the payment by the first Business Day immediately following such due date, or (ii) any further interest or other payments in respect of such delay.

## 7. Taxation

All payments of interest on the Bonds are subject to all applicable taxes, deductions or withholdings, including the deduction of Swiss Federal Withholding Tax (Verrechnungssteuer), which as at the Issue Date indicated in the applicable Final Terms is levied at a rate of 35 per cent. The Issuer pays the Withholding Tax to the Swiss Federal Tax Administration in CHF. In case of interest payments in another currency, the taxable income will be converted into CHF at the then current exchange rate.

## 8. Statute of Limitations

In accordance with Swiss law, claims for payment of principal and interest under the Bonds will become time-barred unless made within a period of ten years (in the case of principal) and five years (in the case of interest) after the date on which such payment first became due and payable.

## 9. Listing and Admission to Trading

The Issuer will apply to have the Bonds to be admitted to trading and listed on the SIX Swiss Exchange.

## 10. Notices

- (a) For so long as the Bonds are listed on the SIX Swiss Exchange, notices to holders will be given by the Issuer (i) by means of electronic publication on the internet website of the SIX Swiss Exchange, where notices are currently published under the address [https://www.six-group.com/en/products-services/the-swiss-stock-exchange/market-data/news-tools/official-notices.html#/,](https://www.six-group.com/en/products-services/the-swiss-stock-exchange/market-data/news-tools/official-notices.html#/) or (ii) otherwise in accordance with the regulations of the SIX Swiss Exchange. Any notice will be deemed to be validly given on the date of such publication or, if published more than once, on the date of the first such publication.
- (b) If the Bonds are for any reason no longer listed on the SIX Swiss Exchange, (i) if the Bonds constitute intermediated securities, notices to holders will be given to the Intermediary for forwarding to the holders, which notice will be deemed to be validly given on the date of the communication to the Intermediary, and (ii) if the Bonds no longer constitute intermediated securities, notices to holders will be given by the Issuer by publication in a daily newspaper with general circulation in Switzerland (which is expected to be the *Neue Zürcher Zeitung*), which notice will be deemed to be validly given on the date of publication or, if published more than once, on the date of the first such publication.

## 11. Meetings of Holders and Amendments

### (a) Meetings of Holders

The provisions on bondholder meetings contained in article 1157 et seq. of the Swiss Code of Obligations apply in relation to meetings of holders.

### (b) Amendments

Subject to the mandatory provisions of Swiss law, the Issuer may, without the consent or approval of the holders, make such amendments to the terms of the Bonds that in the Issuer's opinion are (i) of a formal, minor or technical nature or made to correct a manifest or proven error, or (ii) not materially prejudicial to the interests of the holders.

The Issuer shall notify the holders of any amendments made pursuant to this Condition 11(b) in accordance with Condition 10, which notice shall state the date on which such amendment will be effective.

## 12. Increases

The Issuer reserves the right at any time without the consent of the holders to increase the outstanding total nominal value of a series of Bonds (the **Base Tranche**) by issuing further Bonds which are fungible (with respect to the terms and conditions of the Bonds, security number, remaining term to maturity and interest rate) with the Base Tranche (the **Top-up Tranche(s)**). For the purpose of equivalence with the Base Tranche, payment for the other Bonds of the Top-up Tranche(s) shall include accrued interest for the period from the payment or interest date of the Base Tranche to the payment date of the Top-up Tranche(s).

## 13. Governing Law and Jurisdiction

### (a) Governing Law

The Conditions and the Bonds are governed by, and shall be construed in accordance with, the laws of Switzerland.

### (b) Jurisdiction

Any dispute that might arise based on the Conditions or the Bonds will fall within the exclusive jurisdiction of the courts of the City of Zurich and, if permissible, the Commercial Court of the Canton of Zurich, venue being Zurich 1.

## Form of Final Terms for Bonds

The form of the Final Terms is set out below, which contains the available options for the public offering or admission to trading of Bonds based on this Securities Note in relation to the information set out in the Final Terms.

[day/month/year]

## Cantonal Bank of Zurich

Issue of [CHF][EUR][ ] [aggregate principal amount] [[[ ] percent Fixed] [Floating] Rate] [non-interest-bearing] Bonds due [ ]

### PART A — CONTRACTUAL TERMS

This document constitutes the final terms within the meaning of Article 45(3) of the Swiss Financial Services Act of 15 June 2018 (**FinSA**) for the Bonds described herein and must be read in conjunction with the following documents, which together constitute the base prospectus within the meaning of Article 45 FinSA (the **Base Prospectus**):

- securities note dated 15 September 2022 [as supplemented by [the Supplement] [the Supplements] dated [insert date(s)]] (the **Securities Note**);
- registration document of the Cantonal Bank of Zurich dated [ ] in the form current at the date of these Final Terms[, as supplemented by [the Supplement] [the Supplements] dated [insert date(s)]] (the **Registration Document**); and
- summary of the Cantonal Bank of Zurich dated 15 September 2022.

The Base Prospectus (including any supplements thereto) and these Final Terms, together, constitute the Prospectus in relation to such a Tranche for the purposes of the FinSA. The terms used but not defined herein shall have the meaning given to them in the General Terms and Conditions for the Bonds pursuant to the Securities Note.

Copies of the Base Prospectus (including the documents incorporated by reference therein) and these Final Terms may be obtained free of charge in electronic form or as a hard copy during normal business hours from the registered office of the Issuer.

*(Include whichever of the following apply or specify as "Not Applicable". Italics denote guidance for completing these Final Terms.)*

1. (a) Series: [ ]  
(b) Tranche: [Base Tranche]/[Top-up Tranche]  
(c) Date on which the Bonds will be consolidated and form a single Series: [The Bonds will be consolidated and form a single Series with [provide issue amount/maturity date/issue date of Base Tranche] on the Issue Date] / [Not Applicable]

- 2.** Currency: [Swiss francs (CHF)][Euro (EUR)][insert applicable other currency]
- 3.** Aggregate Principal Amount: [ ]  
 [Top-up Tranche:] [ ]
- 4.** Issue Price: [[100] per cent. of the Aggregate Principal Amount [plus accrued interest from (and including/but excluding) [insert date] (if applicable)]
- 5.** Denomination: [CHF][EUR][GBP][USD] [5,000] [ ]
- 6.** Issue Date: [insert day/month/year]
- 7.** Maturity Date: [insert day/month/year]
- 8.** Interest Basis: [Floating Rate] / [Fixed Rate] / [Non-Interest Bearing]

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

- 9.** Fixed Rate Bonds Provisions [Applicable] / [Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph 9)*
- (a) Fixed Rate: [ ] per cent. per annum
- (b) Interest Payment Day(s): [ ], in accordance with the Business Day Convention
- (this will need to be amended in the case of irregular coupons)*
- (c) Day Count Fraction: [Actual/365] / [30/360] / *[insert other definition]*
- (d) Business Day Convention: [[Following Business Day Convention] / [Modified Following Business Day Convention] / *[insert other definition]*
- (e) Interest Commencement Date: [ ]
- 10.** Floating Rate Bonds Provisions [Applicable] / [Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph 10)*

- (a) Interest Payment Date: [ ] in each year, commencing on [day/month/year], as adjusted in accordance with the Business Day Convention
- (b) Interest Commencement Date: [ ]
- (c) Interest Determination Date: [Second Business Day prior to the start of the respective Floating Rate Interest Period] / [ ]
- (d) Day Count Fraction: [Actual/Actual (ICMA)] / [Actual/Actual] / [Actual/365] / [Actual/360] / [30/360] / [360/360] / [Bond base] / [30E/360] / [Eurobond-Basis] / [Actual/365 (Fixed)] / [Actual/365 (Sterling)] / [ ]
- (e) Business Day Convention: [[Following Business Day Convention] / [Modified Following Business Day Convention] / [ ]] / [Not Applicable]
- (f) Reference Rate: [[ ] [month] [insert currency] [LIBOR [and fallback]] / [other] according to Relevant Screen Page at the Specified Time
- (g) Relevant Screen Page: [ ]
- (h) Specified Time: [ ]
- (i) Margin(s): [[+/-] [ ] per cent. per annum] / [Not Applicable]
- (j) [further relevant terms] [ ]

**GENERAL PROVISIONS**

- 11.** Business Day(s): [specify financial centers for purposes of the Business Day definition] [and] Zurich
- 12.** [ ] [ ]

## PART B — OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (i) Listing: SIX Swiss Exchange
- (ii) Admission to trading: The first day of trading on the SIX Swiss Exchange will be *[insert day/month/year]*. Application for admission to trading (including provisional admission to trading) and listing on the SIX Swiss Exchange will be made as soon as practicable thereafter and (if granted) will only be granted after the Issue Date. The last day of trading on the SIX Swiss Exchange is expected to be *[insert day/month/year]* / [the second Exchange Business Day prior to the Maturity Date]

**[Exchange Business Day]** means a day (other than a Saturday or a Sunday) on which the SIX Swiss Exchange is open for general business.]

- (iii) Minimum trading size: [ ] / [Not Applicable]

### 2. RATINGS

Ratings: [The Bonds have not been rated] / [The Bonds have been rated:

[Moody's\*: [ ]]

[[Other]\*: [ ]]

*\*The exact legal name of the rating agency entity providing the rating should be specified – for example “Standard and Poor’s Credit Market Services Europe Limited”, rather than just “Standard and Poor’s”.*

### 3. OPERATIONAL INFORMATION

- (i) Delivery: Delivery versus payment
- (ii) Paying Agent: [Cantonal Bank of Zurich]
- (iii) Calculation Agent: *[in the case of Fixed Rate Bonds insert: Not Applicable]*

*[in the case of Floating Rate Bonds insert: Cantonal Bank of Zurich]*

- (iv) ISIN: [ ]

[Base Tranche:] [ ]

- (v) Swiss Security Number: [ ]  
[ ] [ ]
- (vi) Common Code: [ ]  
[ ] [ ]
- (vii) Syndicated: [Applicable] / [Not Applicable]
- (viii) Syndicated banks: [Not Applicable] / [ ]
- (ix) [Other information] [ ]

**4. USE OF PROCEEDS**

[in the case of Green Bonds insert: Green Bonds] [The Issuer will use the net proceeds of the issuance of the Bonds [for general corporate purposes] [to [insert use of proceeds]].

**5. ESTIMATED NET PROCEEDS**

[CHF][EUR][insert currency and amount]

**6. AUTHORIZATION**

The issue of the Tranche of Bonds described herein was duly authorized by the [ ] of the Issuer on [ ].

**7. RESPONSIBILITY**

The Cantonal Bank of Zurich accepts responsibility for the information contained in these Final Terms and confirms that, to its knowledge, all information is correct and no material circumstances have been omitted.

**Signed on behalf of Cantonal Bank of Zurich, as Issuer:**

By: \_\_\_\_\_

By: \_\_\_\_\_

## Further Information on Green Bonds (grüne Anleihen)

### Important Information on Investing in Green Bonds

The Final Terms relating to any specific Tranche of Bonds may provide that the Issuer will allocate the proceeds from the Bonds to fund existing and future ZKB environmental loans (ZKB Umweltdarlehen) as well as projects with energetic objectives at office buildings used by the Issuer (Internal Projects), as further described below (such Bonds referred to herein as **Green Bonds**).

The Issuer will exercise its judgment and sole discretion in determining the projects that will be financed by such ZKB Umweltdarlehen or that will be selected as Internal Projects. If the use of the proceeds of the Green Bonds is a factor in an investor's decision to invest in the Green Bonds, such investor should consider the discussion below and consult with legal or other advisors before making an investment in the Green Bonds. There can be no assurance that each and every single one of the projects funded with the proceeds from the Green Bonds will meet the investor's expectations. Furthermore, the Issuer has no contractual obligation to allocate the proceeds of any such Green Bonds to finance particular projects or to provide the reports that are described below. Failure by the Issuer to so allocate or report, or the failure of ISS ESG or any other external assurance provider to opine on the conformity of such Green Bonds or the Issuer's Green Bond Framework (Green Bond Framework) with the Green Bond Principles of the International Capital Market Association (ICMA), as the case may be, will not constitute a default with respect to, or result in any early redemption of or additional payment under, the Green Bonds. The bonds are purchased on the basis of the investor's own independent assessment and based on the individual clarifications deemed necessary.

No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of any opinion of any external party (including those of ISS ESG referred to below) that may be made available in connection with the issue of any Green Bonds or the extent to which any projects that will be financed by the proceeds of any Green Bonds may fulfil any environmental, sustainability, social and/or other criteria. Any such opinion is not incorporated in and does not form part of this Securities Note and is not a recommendation by the Issuer or any other person to buy, sell or hold any Green Bonds.

There is currently no clear definition (legal, regulatory or otherwise) of, or market consensus as to what constitutes, a "green" or an equivalently-labelled project or asset or as to what precise attributes are required for a particular project or asset to be defined as "green" or such other equivalent label, and no assurance can be given that such a clear definition or consensus will develop over time or that any prevailing market consensus will not significantly change.

In the event that any such Green Bonds are included in any dedicated "green", "environmental", "sustainable" or other equivalently-labelled segment of an index or list (whether or not regulated), no representation or assurance is given by the Issuer or any other person that such inclusion satisfies, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply. Furthermore, no representation or assurance is given by the Issuer or any other person that any such inclusion will be obtained in respect of any such Green Bonds or, if obtained, that any such inclusion will be maintained during the life of the Green Bonds. Loss of inclusion in any index or list may affect the value of the Green Bonds.

Any of the above factors (and any events that negatively affect the value of any other securities of the Issuer that are intended to finance “green” or equivalently-labelled projects or assets) could have a material adverse effect on the value of such Green Bonds, and/or have adverse consequences for certain investors in such Green Bonds with portfolio mandates to make investments that meet particular “green”, “environmental”, “sustainable” and/or any other similar standards.

### **Use of Funds**

Under the Green Bond Principles of the ICMA, qualifying uses of funds include financing energy efficiency projects and “green buildings” that meet recognised energy efficiency criteria.

This category includes the ZKB Umweltdarlehen that the Issuer uses to promote the construction of environmentally friendly buildings or to promote energetic renovations, and hence to achieve societal benefits. This category also includes the selected Internal Projects through which the Issuer seeks to optimize the energy efficiency of the buildings used by the Issuer itself.

Any Green Bonds to be issued will not be project-specific. As such, the proceeds from the issuance of a particular Tranche of Green Bonds will not be directed at one or more specifically named projects. They will instead be used to fund the pool of existing and future ZKB Umweltdarlehen and the selected Internal Projects, serving in this way as a link between the asset and liability side of the balance sheet

### **Project Selection Process**

The lending criteria for ZKB Umweltdarlehen do not differ from the regular loan process from a financial-technical point of view. In addition to the financial criteria, the borrower must prove that the construction project will achieve a high energy standard.

The following additional criteria apply to ZKB Umweltdarlehen:

Energy-efficient new builds:

- Minergie® certificate; or
- 2000-Watt Areal® certificate; or
- GEAK® / GEAK® New Build (Swiss cantons’ building energy label), with at least a class A rating (overall energy efficiency); or
- Pioneer projects: particularly climate-friendly and innovative real estate projects that meet comprehensive sustainability criteria (e.g. according to SIA 2040, 2Sol).

Energy-efficient renovations:

- Minergie® certificate post-renovation; or
- GEAK® Plus label post-renovation, with at least a class C rating (overall energy efficiency) and improvement by at least one efficiency class; or
- individual energy measures, such as thermal insulation, climate-friendly heating systems, solar power, photovoltaic installations, heat recovery systems, etc.

The certificate or label may be no more than five years old.

The selection of Internal Projects is based on an individual assessment. Included are projects for which a significant reduction in energy consumption and / or CO2 emissions can be demonstrated. The details on the project selection process are as per the criteria described in the Green Bond Framework (see “—Ongoing Reporting” below).

## Management of the Funds Raised

The Issuer undertakes to use all proceeds from issuance of the Green Bonds to refund existing and future ZKB Umweltdarlehen as well as the Internal Projects that have been selected. To ensure that the funds raised are used for the intended purpose, new Green Bonds will only be issued if, immediately following their issuance, the total outstanding volume of ZKB Umweltdarlehen and Internal Projects will exceed the total principal amount of outstanding Green Bonds by at least 10 per cent.

Should the total principal amount of outstanding Green Bonds, at any point, exceed the total outstanding volume of ZKB Umweltdarlehen and Internal Projects, the surplus proceeds received from the Green Bonds will:

- be invested in green bonds of other issuers that are issued in accordance with the criteria described in the Green Bond Framework; and/or
- be held in reserve as cash.

The uses of the surplus proceeds described above will apply until such time as enough ZKB Umweltdarlehen and Internal Projects exist once again or the Green Bonds are redeemed. The issuer shall furthermore be entitled at any time to repurchase Green Bonds in any number either for its own investment or for redemption purposes.

## External Assessment

*Second-party opinion from ISS ESG*

The Issuer has obtained a second-party opinion from ISS ESG which confirms that the Green Bonds and the Green Bond Framework are in line with ICMA's Green Bond Principles and that the Green Bond Framework is transparent. The second-party opinion is published on the Issuer's website (see "*Ongoing Reporting*" below).

## Ongoing Reporting

In order to ensure transparency towards investors and other market participants, the Issuer publishes regularly – usually once per year – up-to-date information on the use of the proceeds and the environmental impact of the Green Bonds.

The Issuer provides the following information regarding the Green Bonds:

- the Issuer's Green Bond Framework;
- the Issuer's annual and environmental reporting on the Green Bonds;
- the second-party opinion from ISS ESG

The ongoing coverage can be found at <https://www.zkb.ch/en/home/investor-relations/bond-issues.html>.

## General Terms and Conditions of the STNs

### 1. Conditions of the STNs

These general terms and conditions of the money market paper (*Geldmarktpapiere*) in the form of short-term notes (the **STNs**) (the **General Terms and Conditions**) shall be completed, supplemented, amended or replaced by the information contained in Part A of the applicable final prepared in connection with the issue of a tranche STNs (the **Tranche**) of the Cantonal Bank of Zurich (the **Issuer**) (the **Final Terms**, and the General Terms and Conditions as so completed, supplemented, amended or replaced by the relevant Final Terms, the **Conditions**). To the extent that the information in Part A of the Final Terms completes, supplements, amends or replaces these General Terms and Conditions, it shall do so only for the purposes of the Tranche to which the relevant Final Terms relate. To the extent that there are inconsistencies between these General Terms and Conditions and the terms and conditions contained in Part A of the applicable Final Terms, the terms and conditions contained in Part A of the applicable Final Terms shall prevail.

### 2. Amount, Denomination and Form

#### (a) Amount and Denomination

The initial aggregate principal amount of the STNs is specified in the applicable Final Terms. All payments in relation to the STNs will be made in the same currency as the aggregate principal amount (i.e., in the Specified Currency set forth in the applicable Final Terms). The STNs are issued to holders in the denomination(s) specified in the applicable Final Terms.

#### (b) Form

The STNs will be issued in uncertificated form as uncertificated securities (Wertrechte) in accordance with article 973c of the Swiss Code of Obligations, which will be created by the Issuer by means of a registration in a register of uncertificated securities (Wertrechtbuch). Such uncertificated securities will then be entered into the main register (Hauptregister) of SIX SIS Ltd. or any other intermediary in Switzerland recognised for such purposes by the SIX Swiss Exchange or the BX Swiss (SIX SIS Ltd. or any such other intermediary, the **Intermediary**). Once the uncertificated securities are registered in the main register (Hauptregister) of the Intermediary and entered into the accounts of one or more participants of the Intermediary, the STNs will constitute intermediated securities (Bucheffekten) within the meaning of the Swiss Federal Intermediated Securities Act (Bucheffektengesetz).

For so long as the STNs constitute intermediated securities, the STNs may only be transferred as set out in the provisions of the Swiss Federal Intermediated Securities Act (Bucheffektengesetz) by the entry of the transferred STNs in a securities account of the transferee. The records of the Intermediary will determine the number of STNs held through each participant in that Intermediary.

Neither the Issuer nor any holder will at any time have the right to effect or demand the conversion of the STNs into a permanent global certificate (Globalurkunde) or individually certificated securities (Wertpapiere).

Notwithstanding the foregoing, upon the occurrence of a Definitive Exchange Event (Umwandlungsereignis), the Issuer shall arrange for individually certificated securities to be printed and delivered to the holders. **Definitive Exchange Event** means that (a) SIX SIS Ltd or a successor organisation ceases business activities for at least 14 consecutive days (except for legal or other

holidays), announces the intention to cease business activities permanently or actually ceases business activities permanently and no clearing successor organisation acceptable from the point of view of the Cantonal Bank of Zurich is available and/or (b) the continued central custody of the STNs in the systems of the Intermediary has negative consequences for the Cantonal Bank of Zurich for legal or regulatory reasons.

### 3. Status

The STNs constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and rank *pari passu* with all other present or future unsecured and unsubordinated obligations of the Issuer and without any preference among themselves, except for such preference as is provided by any mandatory applicable provision of law.

### 4. Interest

The applicable Final Terms will indicate whether the STNs are subject to interest on a fixed rate (**Fixed Rate STNs**) or whether no interest will be payable on the STNs (Non-Interest Bearing STNs).

Business Day Convention means, with respect to any Interest Payment Date (x), for which there is no numerically corresponding day in the calendar month in which such Interest Payment Date should occur, or (y) that would otherwise fall on a day that is not a Business Day, if:

- (1) "Following Business Day Convention" is specified in the applicable Final Terms that such Interest Payment Date will be postponed to the first following Business Day; or
- (2) "Modified Following Business Day Convention" is specified in the applicable Final Terms, that such Interest Payment Date will be postponed to the first following Business Day unless that Business Day falls in the next calendar month, in which case such Interest Payment Date will instead be brought forward to the last preceding Business Day; or
- (3) any other Business Day Convention is specified in the applicable Final Terms that such Interest Payment Date will be adjusted in accordance with such Business Day Convention as described in the applicable Final Terms.

#### (a) Fixed Rate STNs

This clause (a) applies only to Fixed Rate STNs.

- (i) The STNs will bear interest on their principal amount at the applicable fixed rate of interest specified in the applicable Final Terms (the **Fixed Rate of Interest**) from (and including) the Interest Commencement Date to (but excluding) the Maturity Date; provided, however, that if payment with respect to any STN is improperly withheld or refused on the Maturity Date, interest will continue to accrue on the principal amount of such STN (both before and after judgment) at the applicable Fixed Rate of Interest to (but excluding) the redemption date. Interest on the STNs shall be payable in arrears on any date(s) specified in the applicable Final Terms or determined in accordance with the provisions of the applicable Final Terms which (if specified in the applicable Final Terms) dates may be adjusted in accordance with the Business Day Convention specified in the applicable Final Terms (**the Interest Payment Date**).
- (ii) The amount of interest payable in respect of any STN on any Interest Payment Date or any other date will be calculated by:
  - (1) multiplying the applicable Fixed Rate of Interest by the principal amount of such STN;
  - (2) multiplying the product thereof by the Day Count Fraction set forth in the applicable Final Terms; and

- (3) rounding the resulting figure to the nearest sub-unit (with one-half of a sub-unit being rounded up).

(b) **Non-Interest STNs**

This clause (b) applies only to Non-Interest Bearing STNs.

The STNs do not bear interest.

## 5. Redemption and Purchase

(a) **Redemption at Maturity**

Unless previously purchased and cancelled, the STNs will be redeemed by the Issuer on the Maturity Date at 100 per cent. of their principal amount.

(b) **Purchases**

The Issuer or any of its affiliates may at any time purchase or procure others to purchase beneficially for its account STNs in any manner and at any price. STNs so purchased may, at the Issuer's discretion, be held, resold or surrendered to the Paying Agent for cancellation.

(c) **Cancellation**

All STNs purchased and surrendered to the Paying Agent pursuant to Condition 5(b) will immediately be cancelled upon surrender and may not be reissued or resold.

## 6. Payments

- (a) All payments required to be made by the Issuer under the STNs will be made to the holders in the Specified Currency without collection costs, without any restrictions and whatever the nationality, domicile or residence of the relevant holder and without certification, affidavit or the fulfilment of any other formality.
- (b) If the due date for any payment (whether in respect of principal, interest or otherwise) in respect of the STNs is not a day on which commercial banks process payments and are open for general business (including trading in foreign exchange and foreign currencies) in Zurich and any other financial centre specified in the section "Business Days" of the applicable Final Terms (each such day a **Business Day**), the holders shall not be entitled to (i) make the payment by the first Business Day immediately following such due date, or (ii) any further interest or other payments in respect of such delay.

## 7. Taxation

All payments on the STNs are subject to all applicable taxes, deductions or withholdings, including the deduction of Swiss Federal Withholding Tax (*Verrechnungssteuer*), if any, which as at the Issue Date indicated in the applicable Final Terms is levied at a rate of 35 per cent. The Issuer pays the Withholding Tax to the Swiss Federal Tax Administration in CHF. In case of payments in another currency, the taxable income will be converted into CHF at the then current exchange rate.

## 8. Statute of Limitations

In accordance with Swiss law, claims for payment of principal and interest under the STNs will become time-barred unless made within a period of ten years (in the case of principal) and five years (in the case of interest) after the date on which such payment first became due and payable.

## 9. Listing and Admission to Trading

The Issuer will apply to have the STNs to be admitted to trading and listed on the SIX Swiss Exchange or the BX Swiss.

## 10. Notices

- (a) For so long as the STNs are listed on the SIX Swiss Exchange, notices to holders will be given by the Issuer (i) by means of electronic publication on the internet website of the SIX Swiss Exchange, where notices are currently published under the address [https://www.six-group.com/en/products-services/the-swiss-stock-exchange/market-data/news-tools/official-notices.html#/,](https://www.six-group.com/en/products-services/the-swiss-stock-exchange/market-data/news-tools/official-notices.html#/) or (ii) otherwise in accordance with the regulations of the SIX Swiss Exchange. Any notice will be deemed to be validly given on the date of such publication or, if published more than once, on the date of the first such publication.

For so long as the STNs are listed on the BX Swiss, notices to holders will be given by the Issuer (i) by means of electronic publication on the internet website of the BX Swiss, where notices are currently published under the address [https://www.bxswiss.com/CorporateActionAnnouncements\\_Listings\\_RouteUrl,](https://www.bxswiss.com/CorporateActionAnnouncements_Listings_RouteUrl) or (ii) otherwise in accordance with the regulations of the BX Swiss. Any notice will be deemed to be validly given on the date of such publication or, if published more than once, on the date of the first such publication.

- (b) If the STNs are for any reason no longer listed on the SIX Swiss Exchange or the BX Swiss, (i) if the STNs constitute intermediated securities, notices to holders will be given to the Intermediary for forwarding to the holders, which notice will be deemed to be validly given on the date of the communication to the Intermediary, and (ii) if the STNs no longer constitute intermediated securities, notices to holders will be given by the Issuer by publication in a daily newspaper with general circulation in Switzerland (which is expected to be the Neue Zürcher Zeitung), which notice will be deemed to be validly given on the date of publication or, if published more than once, on the date of the first such publication.

## 11. Meetings of Holders and Amendments

### (a) Meetings of Holders

The provisions on bondholder meetings contained in article 1157 et seq. of the Swiss Code of Obligations apply in relation to meetings of holders.

### (b) Amendments

Subject to the mandatory provisions of Swiss law, the Issuer may, without the consent or approval of the holders, make such amendments to the terms of the STNs that in the Issuer's opinion are (i) of a formal, minor or technical nature or made to correct a manifest or proven error, or (ii) not materially prejudicial to the interests of the holders.

The Issuer shall notify the holders of any amendments made pursuant to this Condition 11(b) in accordance with Condition 10, which notice shall state the date on which such amendment will be effective.

## 12. Increases

The Issuer reserves the right at any time without the consent of the holders to increase the outstanding total nominal value of a series of STNs (the **Base Tranche**) by issuing further STNs which are fungible (with respect to the terms and conditions of the STNs, security number, remaining term to maturity and interest rate) with the Base Tranche (the **Top-up Tranche(s)**).

For the purpose of equivalence with the Base Tranche, payment for the other STNs of the Top-up Tranche(s) shall include accrued interest for the period from the payment or interest date of the Base Tranche to the payment date of the Top-up Tranche(s).

### **13. Governing Law and Jurisdiction**

#### **(a) Governing Law**

The Conditions and the STNs are governed by, and shall be construed in accordance with, the laws of Switzerland.

#### **(b) Jurisdiction**

Any dispute that might arise based on the Conditions or the STNs will fall within the exclusive jurisdiction of the courts of the City of Zurich and, if permissible, the Commercial Court of the Canton of Zurich, venue being Zurich 1.

## Form of Final Terms for STNs

The form of the Final Terms is set out below, which contains the available options for the public offering or admission to trading of STNs based on this Securities Note in relation to the information set out in the Final Terms.

[day/month/year]

## Cantonal Bank of Zurich

Issue of [CHF][EUR][GBP][USD][ ] [aggregate principal amount] [[ ] percent fixed-rate] [non-interest-bearing] STNs due [ ]

## PART A — CONTRACTUAL TERMS

This document constitutes the final terms within the meaning of Article 45(3) of the Swiss Financial Services Act of 15 June 2018 (**FinSA**) for the STNs described herein and must be read in conjunction with the following documents, which together constitute the base prospectus within the meaning of Article 45 FinSA (the **Base Prospectus**):

- securities note dated 15 September 2022 [as supplemented by [the Supplement] [the Supplements] dated [insert date(s)]] (the **Securities Note**);
- registration document of the Cantonal Bank of Zurich dated [ ] in the form current at the date of these Final Terms[, as supplemented by [the Supplement] [the Supplements] dated [insert date(s)]] (the **Registration Document**); and
- summary of the Cantonal Bank of Zurich dated 15 September 2022.

The Base Prospectus (including any supplements thereto) and these Final Terms, together, constitute the Prospectus in relation to such a Tranche for the purposes of the FinSA. The terms used but not defined herein shall have the meaning given to them in the General Terms and Conditions for the STNs pursuant to the Securities Note.

Copies of the Base Prospectus (including the documents incorporated by reference therein) and these Final Terms may be obtained free of charge in electronic form or as a hard copy during normal business hours from the registered office of the Issuer.

*(Include whichever of the following apply or specify as "Not Applicable". Italics denote guidance for completing these Final Terms.)*

1. (a) Series: [ ]  
(b) Tranche: ranche]/[Top-up Tranche]  
(c) Date on which the STNs will be consolidated and form a single Series: STNs will be consolidated and form a single Series with [provide issue amount/maturity date/issue date of Base Tranche] on the Issue Date] / [Not Applicable]

- 2.** Currency: [Swiss francs (CHF)][Euro (EUR)][Pound Sterling (GBP)][US dollars (USD)][insert applicable other currency]
- 3.** Aggregate Principal Amount: [ ]  
Top-up Tranche: [ ]
- 4.** Issue Price: [[100] per cent. of the Aggregate Principal Amount]
- 5.** Denomination: [CHF][EUR][GBP][USD] [1,000,000] [ ] and multiples thereof
- 6.** Issue Date: [insert day/month/year]
- 7.** Maturity Date: [ ]
- 8.** Interest Basis: [Fixed Rate] / [Non-Interest Bearing] / [ ]

#### **PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

- 9.** Provisions for fixed-rate STNs / [ ] [Applicable] / [Non applicable] / [ ]  
*(if not applicable, delete the remaining subparagraphs of this paragraph 9)*
- (a) [Fixed rate] [ ] per cent per year
- (b) [Interest Payment Day(s)] [ ],in accordance with the Business Day Convention]
- (c) [Day Count Fraction] [Actual/360] / [30/360] / [other – insert definition]
- (d) [Business Day Convention] [[Following Business Day Convention] / [Modified Following Business Day Convention - insert definition] / [ ]] / [Not applicable]
- (e) [Interest start date] [ ]

#### **GENERAL PROVISIONS**

- 10.** Business Day(s): [specify financial centers for purposes of the Business Day definition] [and] Zurich
- 11.** [ ] [ ]

## PART B — OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (i) Listing: [SIX Swiss Exchange / BX Swiss]
- (ii) Admission to trading: The first day of trading on the [SIX Swiss Exchange / BX Swiss] will be [insert day/month/year]. [Application for admission to trading (including provisional admission to trading) and listing on the SIX Swiss Exchange will be made as soon as practicable thereafter and (if granted) will only be granted after the Issue Date.] The last day of trading on the SIX Swiss Exchange / BX Swiss] is expected to be [insert day/month/year] / [the second Exchange Business Day prior to the Maturity Date].
- [Exchange Business Day]** means a day (other than a Saturday or a Sunday) on which the [SIX Swiss Exchange / BX Swiss] is open for general business.]
- (iii) Minimum trading size: [ ] / [Not Applicable]

### 2. RATINGS

- Ratings: [The STNs have not been rated] / [The STNs have been rated:
- [Moody's\*: [ ]]
- [[Other]\*: [ ]]

*\*The exact legal name of the rating agency entity providing the rating should be specified – for example “Standard and Poor’s Credit Market Services Europe Limited”, rather than just “Standard and Poor’s”.*

### 3. OPERATIONAL INFORMATION

- (i) Delivery: Delivery versus payment
- (ii) Paying Agent: [Cantonal Bank of Zurich]
- (iii) Calculation Agent: [Not Applicable]
- (iv) ISIN: [ ]
- [Base Tranche:] [ ]
- (v) Swiss Security Number: [ ]
- [ ] [ ]
- (vi) Common Code: [ ]

- [ ] [ ]
- (vii) Syndicated: [Applicable] / [Not Applicable]
- (viii) Syndicated banks: [Not Applicable] / [ ]

#### 4. USE OF PROCEEDS

The Issuer will use the net proceeds of the issuance of the STNs [for general corporate purposes] [to *insert use of proceeds*].

#### 5. ESTIMATED NET PROCEEDS

[CHF][EUR][GBP][USD][*insert currency and amount*]

#### 6. AUTHORIZATION

The issue of the Tranche of STNs described herein was duly authorized by the [ ] of the Issuer on [ ].

#### 7. RESPONSIBILITY

The Cantonal Bank of Zurich accepts responsibility for the information contained in these Final Terms and confirms that, to its knowledge, all information is correct and no material circumstances have been omitted.

**Signed on behalf of Cantonal Bank of Zurich, as Issuer:**

By: \_\_\_\_\_

By: \_\_\_\_\_