

FIFTH SUPPLEMENTARY BASE PROSPECTUS DATED 31 MAY 2018

DNB BOLIGKREDITT AS



(incorporated in Norway)

€60,000,000,000

Covered Bond Programme

This Fifth Supplementary Base Prospectus (the “**Supplement**”) to the Base Prospectus dated 22 June 2017 (the “**Base Prospectus**”), together with the first supplement to the Base Prospectus dated 13 July 2017 (the “**First Supplement**”), the second supplement to the Base Prospectus dated 26 October 2017 (the “**Second Supplement**”), the third supplement to the Base Prospectus dated 5 February 2018 (the “**Third Supplement**”) and the fourth supplement to the Base Prospectus dated 2 May 2018 (the “**Fourth Supplement**”), comprises a base prospectus and is prepared in connection with the €60,000,000,000 Covered Bond Programme established by DNB Boligkreditt AS (the “**Issuer**”). This Supplement constitutes a supplementary prospectus for the purposes of Article 16 of Directive 2003/71/EC as amended (the “**Prospectus Directive**”) as implemented in Ireland by the Prospectus (Directive 2003/71/EC) Regulations 2005 and is prepared in order to update the Base Prospectus. Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

This Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus and any other supplements to the Base Prospectus issued by the Issuer.

This Supplement has been approved by the Central Bank of Ireland, as competent authority under the Prospectus Directive. The Central Bank of Ireland only approves this Supplement as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Purpose of this Supplement

The purpose of this Supplement is to (i) update the use of proceeds disclosure in the Base Prospectus to reflect the application of the proceeds of “green” Covered Bonds and (ii) update the risk factors in respect of any such application of the proceeds of such Covered Bonds.

Update to Use of Proceeds

By virtue of this Supplement, the section of the Base Prospectus entitled “Use of Proceeds” on page 134 shall be deemed deleted and replaced by the following:

“USE OF PROCEEDS

The net proceeds from each issue of Covered Bonds will be applied by the Issuer for its general corporate purposes, which may include a repayment of part of amounts outstanding under the overdraft facility from DNB Bank. In addition, where the “*Reasons for the Offer*” in Part B of the applicable Final Terms are stated to be for “green” purposes as described in this *Use of Proceeds*” section (the “**Green Covered Bonds**”), the net proceeds from each such issue of Green Covered Bonds will be used as so described. If specified otherwise in the applicable Final Terms, the net proceeds from the issue of the relevant Covered Bonds will be used as so specified.

The Issuer intends to allocate the net proceeds of the Green Covered Bonds to a loan portfolio of new and existing mortgages for energy efficient residential buildings in Norway (the “**Eligible Residential Green Buildings**”). The eligible loans are to be funded in whole or in part by an allocation of the bond proceeds (the “**Eligible Green Loans**”).

The Issuer has relied on the support of an external green real estate consultant Multiconsult ASA to define the associated eligibility criteria which are further described in the Issuer’s Green Bond Framework (May 2018) published on its website (<https://www.ir.dnb.no/funding-and-rating/green-covered-bonds>) (including as amended, supplemented, restated or otherwise updated on such website from time to time, the “**Green Bond Framework**”).

The Issuer will select and track the Eligible Green Loans using information from the official Land Register. The information is received from third-party Eiendomsverdi, which is an entity that supports the reporting of mortgage cover pool data for a large number of Norwegian covered bond issuers. Loans secured by mortgages on Eligible Residential Green Buildings are selected as Eligible Green Loans.

The Issuer will be responsible for identification and record keeping of new and existing mortgages that meet the eligibility criteria. A green mortgage register of Eligible Green Loans will be kept by the Issuer and it will select from the register the Eligible Green Loans available for Green Covered Bond funding.

Eligible Green Loans will be included in DNB Boligkreditt’s cover pool along with other mortgage loans that are not Eligible Green Loans. Consequently, prospective investors in the Green Covered Bonds will have a claim against the entire cover pool without a preferential claim on the Eligible Green Loans over and above other investors, and all Green Covered Bonds will from time to time rank *pari passu* with each other and with any other Covered Bonds which may have been issued by the Issuer.

The Issuer takes care that all selected Eligible Green Loans comply with official national standards and local laws and regulations. It is part of the general transaction approval process within DNB to ensure that all activities comply with internal environmental and social standards.

The Green Covered Bonds net proceeds will be managed by the Issuer in a portfolio approach. The Issuer intends to allocate the proceeds from the Green Covered Bonds to a portfolio of loans that meet the use of proceeds eligibility criteria and in accordance with the evaluation and selection process presented above and in the Green Bond Framework (the “**Eligible Green Loan Portfolio**”).

The Issuer intends to designate sufficient Eligible Green Loans in the Eligible Green Loan Portfolio to ensure that the size of the Eligible Green Loan Portfolio always exceeds the total balance of all outstanding Green Covered Bonds. When necessary, additional Eligible Green loans will be added to the Eligible Green Loan Portfolio to ensure the sufficient and timely allocation of the incremental net proceeds.

During the life of the Green Covered Bonds, and upon becoming aware, if a loan ceases to fulfil the eligibility criteria, the Issuer will remove the loan from the Eligible Green Loan Portfolio and replace it, when necessary, as soon as reasonably practicable.

The Issuer will hold or invest any unallocated Green Covered Bond net proceeds, at its own discretion, in its liquidity portfolio in money market instruments.

On a best effort basis, the Issuer will align the reporting with the portfolio approach described in "Green Bonds - working towards a Harmonized Framework for Impact Reporting (December 2015)" <https://www.icmagroup.org/assets/documents/Regulatory/Green-Bonds/20151202-0530-FINALRevised-Proposal2.pdf>). The reporting is based on the Eligible Green Loan Portfolio and numbers will be aggregated for all Green Covered Bonds outstanding.

The Issuer intends to report to investors within one year from the date of a Green Bond transaction and annually thereafter, until the proceeds have been fully allocated (the “**Allocation Report**”) and it has appointed a specialised green real estate consultant Multiconsult ASA to develop a methodology for impact estimation and calculation (the “**Impact Report**”). Both the Allocation Report and the Impact Report will be made available on the DNB website.

The Issuer will obtain an independent second party opinion from Sustainalytics to confirm the validity of the Green Bond Framework. The independent second party opinion will be published on the DNB website.

In addition, the Issuer may request on an annual basis, starting one year after issuance and until maturity (or until full allocation), a limited assurance report of the allocation of the bond proceeds to eligible assets, provided by its external auditor.

Furthermore, the Issuer has the intention to obtain an accreditation certificate from Climate Bonds Initiative (“CBI”) for the envisaged green bond with the Green Bond Framework being aligned with CBI’s baseline for the Norwegian Low Carbon Residential Buildings (<https://www.climatebonds.net/standard/buildings/residential>).

Neither the Green Bond Framework, nor any of the above reports, verification assessments or contents of any of the above websites are incorporated in or form part of this Base Prospectus.”

Update to Risk Factors

By virtue of this Supplement, a new risk factor shall be inserted at the end of the section of the Base Prospectus entitled “*Risk Factors – Risks related to the structure of a particular issue of Covered Bonds*” on page 25 as follows:

“The application of the net proceeds of Green Covered Bonds as described in “Use of Proceeds” may not meet investor expectations or be suitable for an investor’s investment criteria

Prospective investors in the Green Covered Bonds should have regard to the information in “*Use of Proceeds*” regarding the use of the net proceeds of those Green Covered Bonds and must determine for themselves the relevance of such information for the purpose of any investment in such Green Covered Bonds together with any other investigation such investor deems necessary. In particular no assurance is given by the Issuer or the Dealers that the use of such proceeds for “green” purpose (as described in “*Use of Proceeds*”) will satisfy, 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, it should be noted that there is currently no clear definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, a “green” or an equivalently-labelled project or as to what precise attributes are required for a particular project to be defined as “green” or such other equivalent label nor can any assurance be given that such a clear definition or consensus will develop over time or that any prevailing market consensus will not significantly change. Accordingly, no assurance is or can be given to investors that any projects or uses the subject of, or related to, any Green Covered Bonds will meet any or all investor expectations regarding such “green” or other equivalently-labelled performance objectives.

No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of any report, assessment, opinion or certification of any third party (whether or not solicited by the Issuer) which may or may not be made available in connection with the issue of any Green Covered Bonds. Any such report, assessment, opinion or certification is not, nor shall be deemed to be, incorporated in and/or form part of this Base Prospectus. Any such report, assessment, opinion or certification is not, nor should be deemed to be, a recommendation by the Issuer, the Dealers or any other person to buy, sell or hold any such Green Covered Bonds. Any such report, assessment, opinion or certification is only current as of the date it was issued. Prospective investors must determine for themselves the relevance of any such report, assessment, opinion or certification and/or the information contained therein and/or the provider of such report, assessment, opinion or certification for the purpose of any investment in such Green Covered Bonds. Currently, the providers of such reports, assessments, opinions and certifications are not subject to any specific oversight or regulatory or other regime.

In the event that any Green Covered Bonds are listed or admitted to trading on any dedicated “green” or other equivalently-labelled segment of any stock exchange or securities market (whether or not regulated), no representation or assurance is given by the Issuer, the Dealers or any other person that such listing or admission 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, the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another. Nor is any representation or assurance given or made by the Issuer, the Dealers or any other person that any such listing or admission to trading will be obtained in respect of any such Green Covered Bonds or, if obtained, that any such listing or admission to trading will be maintained during the life of the Green Covered Bonds.

While it is the intention of the Issuer to apply the net proceeds of any Green Covered Bonds and obtain and publish the relevant reports, assessments, opinions and certifications in, or substantially in, the manner described in “*Use of Proceeds*”, there can be no assurance that the Issuer will be able to do this.

The withdrawal of any report, assessment, opinion or certification as described above, or any such report, assessment, opinion or certification attesting that the Issuer is not complying in whole or in part with any matters for which such report, assessment, opinion or certification is reporting, assessing, opining or certifying on, and/or any such Green Covered Bonds no longer being listed or admitted to trading on any stock exchange or securities market, as aforesaid, may have a material adverse effect on the value of such Green Covered Bonds and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.”

General Information

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement and (b) any other statement in, or incorporated by reference into, the Base Prospectus, as supplemented by the First Supplement, the Second Supplement, the Third Supplement and the Fourth Supplement the statements in (a) above will prevail.

Save as disclosed in this Supplement, the First Supplement, the Second Supplement, the Third Supplement and the Fourth Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus which is capable of affecting the assessment of any Covered Bonds or any change in the condition of the Issuer which is material in the context of the Programme or the issue of any Covered Bonds since the publication of the Base Prospectus.