

Residential mortgages

Investment Update

Engaging homeowners to improve energy performance: evidence from a Dutch mortgage portfolio

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Improving the sustainability of mortgage portfolios ultimately depends on the choices homeowners make. This raises an important question for mortgage investors: how can homeowners be encouraged to take concrete steps to improve the energy performance of their properties?

Achmea explored this question through the Improve Your Home pilot, involving more than 1,300 mortgage customers with relatively low energy labels. Participants were offered personalised sustainability advice, a home visit, an updated energy-label assessment and financial support for insulation measures.

The results show that targeted customer engagement can contribute to both sustainability improvements and better portfolio data. In total, 22% of the homeowners approached participated in the programme, while 90% of participants received an updated energy label. The pilot also provided a more accurate picture of the energy performance of the underlying housing stock.

For mortgage investors, the findings suggest that targeted engagement with homeowners can support progress towards sustainability objectives while providing better insight into portfolio characteristics and transition risk.



Key insights

- Personalised sustainability advice generated a 22% participation rate among homeowners with energy labels D-G.
- Updated assessments improved portfolio data quality, with 90% of participants receiving a new energy label and 63% of reassessed homes receiving an A, B or C label.
- Achmea intends to apply these insights through a targeted rollout focused on homes with the greatest potential for energy-efficiency improvements.

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Investor implications

Mortgage investors face the challenge of decarbonising residential portfolios while relying on homeowners to make the required improvements. This pilot demonstrates that a carefully selected group of homeowners is willing to engage with sustainability initiatives and take concrete steps to improve the energy performance of their properties. Participants not only obtained updated energy labels, but many also implemented measures that improved their home's efficiency. The results suggest that targeted customer engagement can be an effective and scalable tool for accelerating sustainability improvements within mortgage portfolios. Improved energy-performance data is an additional benefit, providing investors with a more accurate view of portfolio sustainability characteristics and transition risk. These findings have informed the planned introduction of a similar proposition within the Syntrus Achmea mortgage portfolio, initially focused on homes with the lowest energy labels.

Pilot structure

The pilot tested a targeted, end-to-end approach to encouraging mortgage customers to improve the energy efficiency of their homes. A carefully selected group of 1,336 mortgage customers was identified for the pilot. The selection focused on homeowners with relatively low recorded energy labels and considered several portfolio characteristics, including property value and customer tenure. Eligible customers were invited to participate and received a home visit from an independent energy adviser. Based on the home assessment, customers received tailored advice, including an updated energy label and recommendations for suitable energy-efficiency measures.

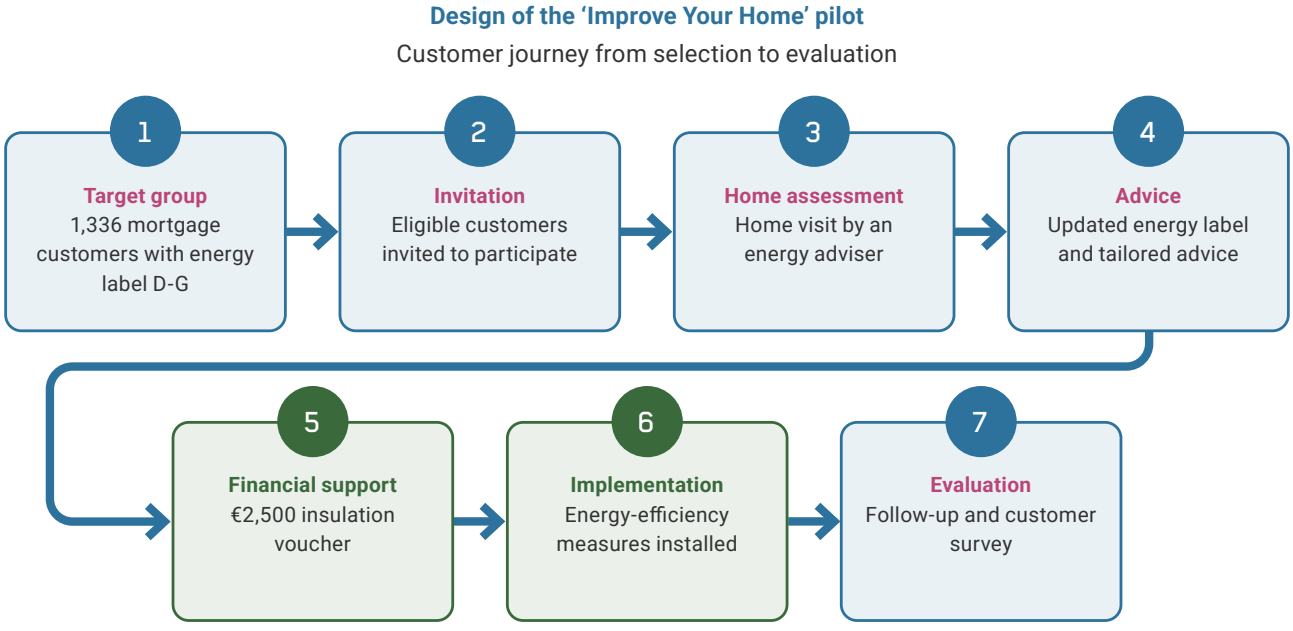
To help translate this advice into action, participating customers were offered a €2,500 insulation voucher. Customers could use this financial support to implement the recommended measures. The pilot concluded with follow-up contact and a customer survey to evaluate participation, implementation and the customer experience. The flowchart summarises this customer journey, from selection of the target group to evaluation of the pilot.

Results

The pilot generated strong customer engagement and substantial improvements in the observed energy performance of participating homes. Of the 1,336 customers who were invited to participate, 297 enrolled in the programme, corresponding to a response rate of approximately 22%. The carefully selected participants generally had relatively low recorded energy labels and were selected based on a combination of portfolio characteristics, including property value and customer tenure.

The reassessments resulted in 461 upward energy-label steps, equivalent to an average improvement of 2.1 labels per property. This primarily reflects improved

A flowchart showing the pilot design

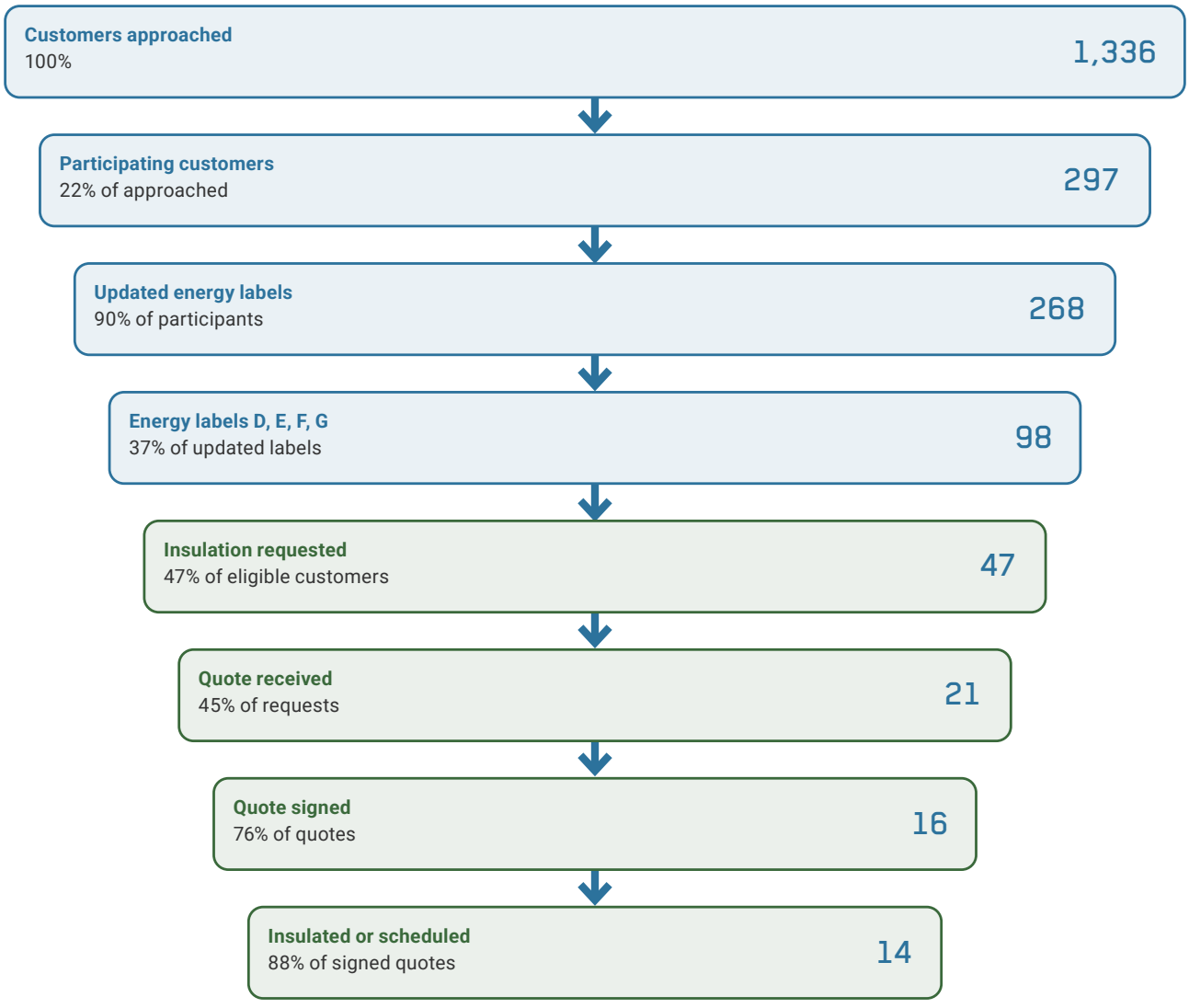


information about the existing energy performance of participating homes rather than physical improvements completed during the pilot. The average assessed label changed from E in the original portfolio data to C following the home assessment, suggesting that many homes were already more energy efficient than reflected in the available portfolio data.

The pilot also resulted in tangible retrofit activity. Fourteen households had insulation measures installed or scheduled for installation at the time of reporting. Additional households were still progressing through the implementation process and follow-up requests continue to be received.

Survey results indicate that customers responded positively to the programme. More than 95% of respondents considered the communication clear, while satisfaction with the home visit and interaction with the energy adviser was high. Participants particularly valued the tailored advice they received and many indicated that the energy report increased their understanding of potential energy-efficiency improvements. The personalised advice appeared to stimulate further action. Nearly half of respondents indicated that they intended to undertake additional sustainability measures based on the recommendations received. Furthermore, 93% indicated that the initiative fitted well with the Centraal Beheer brand, while perceptions of the organisation were generally unchanged or more positive following participation.

Conversion funnel of the pilot



Survey results suggest that the updated energy label and personalised energy advice were the main reasons for participation. Participants particularly valued receiving independent insight into the energy performance of their home and practical recommendations for future improvements.

Beyond the direct outcomes, the pilot generated insights into customer behaviour. No statistically significant differences in participation were observed across age groups, energy labels or provinces. Property value did, however, appear to influence participation, with response rates increasing as property values increased within the selected range. These findings provide useful guidance for the design of future customer-engagement programmes aimed at stimulating residential energy-efficiency improvements.

Future developments

The impact of the programme appears to extend beyond the initial pilot period. Homeowners continue to request updated energy labels after implementing additional energy-efficiency improvements, suggesting that the programme may have initiated a longer-term process of engagement. Following the positive results of the Improve Your Home pilot, Achmea intends to roll out a similar customer engagement programme within the Syntrus Achmea mortgage portfolio. The initiative will focus on providing homeowners with personalised sustainability advice, including a home visit, an updated energy label and tailored recommendations for improving the energy performance of their property.

The programme will initially target homes with the lowest energy labels, particularly G-label properties, where the potential for improvement is largest. In addition to the personalised assessment, homeowners with an updated energy label of D, E, F or G may be eligible for a €500 contribution towards insulation measures. By combining tailored advice with targeted financial support, the programme aims to encourage further sustainability improvements while improving the quality of portfolio-level energy performance data.

Conclusion

The Improve Your Home pilot demonstrates that customer engagement can be an effective tool for both improving portfolio sustainability data and encouraging homeowners to consider energy-efficiency measures. A personalised approach resulted in strong participation rates, a substantial increase in the number of up-to-date energy labels and positive customer feedback.

While it remains too early to fully assess the long-term impact on realised energy-efficiency improvements, the pilot shows that tailored advice and targeted incentives can help homeowners move from awareness to action. The planned rollout within the Syntrus Achmea mortgage portfolio represents the next step in applying these insights at a larger scale and further exploring the role of customer engagement in supporting the sustainability of the Dutch housing stock.

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