

Guidelines for mortgage providers on the promotion of energy efficiency

June 2022

Guidelines of the SBA

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Preamble

With the intention of

- a. contributing to sustainability within the meaning of the Federal Council's guidelines (report of 24 June 2020);
- b. making mortgage clients aware of the energy efficiency of their properties and helping them improve the energy profile of their buildings and
- c. thereby further strengthening Switzerland's position as a leading international financial centre,

the member institutions of the Swiss Bankers Association, as well as non-member banks and financial service providers adopting these provisions, agree to follow these guidelines.

1. Scope

Art. 1

- ¹ These Guidelines cover both personal and, analogously, digital advice for private individuals seeking finance for owner-occupied single-family homes and holiday homes.
- ² These Guidelines cannot form the basis of any claims by mortgage clients.
- ³ In areas governed by special legislation, the relevant special regulations take precedence over these Guidelines.

2. Principles

Art. 2

Advice on the financing of property should include a discussion of the long-term value retention, and thus also the energy efficiency, of the building being financed. This is particularly the case with older properties or those requiring refurbishment. Here, suitable renovation measures should be put forward and discussed.

Art. 3

Mortgage providers can structure their conditions in the areas of loan-to-value, affordability, amortisation and interest rates within the framework of the applicable self-regulatory regime in a way that distinguishes between the financing of sustainable properties and those with non-sustainable characteristics. In addition, they can develop new products and services that promote the goal of improved energy efficiency.

Art. 4

Mortgage providers should take measures to identify and collect relevant information available to the public on the climate efficiency of buildings (especially labels and certificates).

3. Elements of property financing advice

Art. 5

When providing advice on property financing, the following specific elements should be addressed in particular:

- ¹ Discussing and assessing the foreseeable need for renovation with the aim of motivating owners to deal with the issue of maintaining the value and energy efficiency of the property and thus also the long-term preservation of the invested capital, with a view to implementing suitable measures;

- ² If required, transparent presentation of financing options depending on the measures to preserve the value of the property in the long term and increase energy efficiency, including
- a. Information on available public and private funding for building renovation, raising client awareness of, and where necessary offering financial support for, the issue of energy certificates;
 - b. Information on independent experts and specialist bodies for the purpose of obtaining specific advice on the energy impact and financial effects of any optimisation measures (e.g. making buildings more self-sufficient through additional measures to reduce energy consumption or generate electricity and how these affect ancillary costs);
 - c. Where appropriate, support with applying for funding measures.
- ³ Even for existing financing without an upcoming adjustment, mortgage providers should make an offer available (through a combination of direct contact and/or website, for example), which points out to clients possible ways of increasing energy efficiency and shows ways of achieving this, including suitable finance.

4. Training and professional development

Art. 6

Mortgage providers shall provide appropriate and regular training for their client advisors and/or mortgage specialists regarding the procedure for the long-term value retention and improvement of the energy efficiency of buildings and for the financing of suitable measures.

5. Final provisions

Art. 7

- ¹ These Guidelines come into force on 1 January 2023. A transition period up to 1 January 2024 applies for adapting banks' internal processes.
- ² Specialist third-party providers can be consulted on the fulfilment of these Guidelines.
- ³ These Guidelines will be reviewed every year and updated if necessary. The review will take into consideration relevant developments, such as the availability of relevant digital information on the climate efficiency of buildings.

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