

DAN/AG CEO Volker Sack authors article on changes to sustainability reporting

Frankfurt/Goettingen, 31 October 2024 – The new reporting obligations under the EU's Corporate Sustainability Reporting Directive (CSRD) pose considerable challenges for companies, as they require increased data collection in the areas of environmental, social and governance (ESG). However, the question of whether the announced flood of data will actually add value to the evaluation of listed companies remains unanswered.

In an article for the Center for Corporate Reporting, Volker Sack, CEO of DAN/AG and head of the DVFA Commission for Corporate Analysis, provides an initial assessment from the perspective of a financial analyst. He emphasizes that despite the expected large number of ESG data points, the focus should be on a few key figures that are meaningful for the corporate strategy. In particular, CO₂ equivalents (tCO₂eq) in emissions-intensive industries will play an important role in cash flow-based valuation in the future.

Sack also discusses the differences in the implementation of the new directive at company and sector level. While larger companies are already well advanced, many small and medium-sized enterprises (SMEs) are still in labor-intensive processes to define their ESG targets. This could make comparability difficult in the short term, but in the long term it is expected that SMEs will follow the best practice examples of large companies.

The full article is available [here](#). (Translated by Google)

About DAN/AG

Founded in Goettingen in 2022, Deutsches Analyse Netzwerk AG is a Germany-wide network of financial analysts and capital market experts with many years of experience in international equity, credit and fund research. The core competencies of DAN/AG include the preparation of company analyses in the context of capital market transactions and equity coverage for companies from leading indices such as DAX, MDAX and EURO STOXX 50 as well as for small and mid-caps. Market and sector studies as well as training courses, lectures and expert commentaries complete the constantly growing service portfolio.

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