

# **MUST ETHICS PAY OFF? – CSR AND DIRECTOR’S DUTIES IN GERMANY**

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Subject of my contribution to the seminar is the relationship between Corporate Social Responsibility (CSR) and director’s duties under the German Stock Corporation Act (Aktiengesetz, AktG). It addresses the question of whether and to what extent the management board may pursue non-financial goals in managing the corporation. More pointedly, it asks whether the pursuit of non-financial goals is permitted even if there is no discernible benefit for the corporation – or in short, whether ethics must pay off. In this context, the contribution also looks at legal developments in the area of sustainability regulation, such as non-financial reporting and the implications of the Corporate Sustainability Due Diligence Directive (CSDDD).

- I. Introduction**
- II. Concepts of CSR**
- III. CSR and Director’s Duties in Germany – The Current Landscape**
- IV. Need for Regulation? – The Fate of Draft Art. 25 CSDDD**