

44

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TRANSPARENT NON-FINANCIAL

REPORTING OF CONSTRUCTION COMPANIES AS A FACTOR INCREASING THE ECONOMIC SECURITY OF THE COUNTRY

LA TRANSPARENCIA DE LOS INFORMES NO FINANCIEROS DE LAS EMPRESAS DE CONSTRUCCIÓN COMO FACTOR QUE AUMENTA LA SEGURIDAD ECONÓMICA DEL PAÍS

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ABSTRACT

Having assessed various types of non-financial reporting of strategic construction companies of the Russian Federation, the authors substantiated the need to improve methodological approaches to ESG reporting. It is proven that the disclosure of information as part of various types of non-financial reporting in interactive form and modern content will ensure the competitiveness and sustainability of the construction industry, and it is the key to the economic security of the country. As a result, the authors made a conclusion that it is advisable to compile various types of non-financial reporting by construction companies within polystandardization, using both international and domestic standards. As the optimal type of non-financial reporting, it is advisable to choose integrated reporting as a promising model that combines financial and non-financial information as logically as possible. There is an algorithm for generating integrated reporting by construction companies, which includes 5 stages (concept development; collection and systematization of information; integrated reporting; its verification; monitoring of the implemented algorithm to adjust the concept). The authors believe that the application of the recommended methodology will spread the practice of generating integrated reporting, increase its transparency, satisfy the information requests of stakeholders, increase the investment attractiveness, and, ultimately, the economic security of the Russian Federation.

Keywords: Construction Industry, Economic Security, Sustainable Development, Non-Financial Reporting, Integrated Reporting.

RESUMEN

Tras evaluar varios tipos de informes no financieros de empresas de construcción estratégicas, de la Federación Rusa, los autores corroboraron la necesidad de mejorar los enfoques metodológicos de los informes ASG. Está demostrado

que la divulgación de información como parte de diversos tipos de informes no financieros en la forma interactiva y en el contenido moderno, garantiza la competitividad y la sostenibilidad de la industria de la construcción, y es la clave para la seguridad económica del país. Como resultado, los autores llegaron a la conclusión de que es aconsejable compilar varios tipos de informes no financieros de las empresas de construcción en el marco de la polianormalización, utilizando tanto normas internacionales como nacionales. Como tipo óptimo de información no financiera, es aconsejable elegir la información integrada como modelo prometedor que combina la información financiera y no financiera de la forma más lógica posible. Existe un algoritmo para generar informes integrados por parte de las empresas de construcción, que incluye 5 etapas (desarrollo del concepto; recopilación y sistematización de la información; informe integrado; su verificación; seguimiento del algoritmo aplicado para ajustar el concepto). Los autores creen que la aplicación de la metodología recomendada extenderá la práctica de generar informes integrados, aumentará su transparencia, satisfará las demandas de información de las partes interesadas, incrementará el atractivo de las inversiones y, en última instancia, la seguridad económica de la Federación Rusa.

Palabras clave: Industria de la construcción, Seguridad económica, Desarrollo sostenible, Informes no financieros, Informes integrados.

INTRODUCTION

The Russian Federation is actively involved in achieving the UN Sustainable Development Goals (hereinafter referred to as the UN SDGs), which are integrated into the country's national development goals. Construction is one of the most strategically important and rapidly developing sectors of the Russian economy, which is often called the "locomotive of the Russian economy" and the pillar of economic growth and development of Russia. The fundamental document of the construction industry is the Development Strategy of the Construction Industry and Housing and Communal Services of the Russian Federation for the Period up to 2030 (Government of the Russian Federation, 2022). The industry creates jobs, provides the necessary infrastructure, and facilitates the economic activity of cities, regions, and the country in general.

The construction of houses, commercial buildings, roads, bridges, and other strategically important objects has a significant impact on the growth and stability of the country's economy and, as a result, its economic security.

The role of the construction industry is emphasized by the President of the Russian Federation.

At a meeting on construction issues in August 2023, Putin noted that: *"the construction industry brings about 5% of GDP to the country's overall development and is a powerful complex that largely determines the stability of the Russian economy"* (Izvestiya, 2023). Summing up the analysis of the current state and prospects for the development of the construction complex, President of the Russian Union of Builders Yakovlev said that in 2023 the situation in the construction industry can be described as stable (Russian Union of Builders, 2023). The Development Strategy of the Construction Industry until 2030 and for the planning period until 2035, adopted in 2022, set the main guidelines and has already begun to be successfully implemented. Now the Ministry of Construction of Russia is finalizing the action plan of the Strategy, which will define specific actions, the timing of their implementation, and the responsible persons in more detail.

However, under uncertainty, the industry is constantly faced with various threats and risks. To maintain the competitiveness of the industry and the peculiarities of attracting investment resources within the transition to the so-called "green economy" we need to comply with and implement the terms of the ESG agenda, whose non-financial reporting and requirements are an important element. It should be noted that the preparation and presentation of non-financial reporting is voluntary. It is not regulated in Russia, unlike Europe, and the developed standards and methods are advisory in nature. Unlike financial reporting, which is mandatory and regulated by regulations and documents at the international and federal levels, there is no clear methodology for compiling and presenting the main areas of ESG reporting (environmental, social, and corporate management). The country has requirements in the fields of ecology, environment, and industrial safety, but they are not identical to full ESG reporting. In addition, the current *"economic situation in Russia is critically dependent on the ability of government bodies to ensure both the national security of the state and the economic security of economic sectors"* (Lev, 2020, p. 451)

Based on this, construction companies are obliged to make their own efforts to ensure their economic security, which makes a significant contribution to the sustainable development of the country's economy. One of the tools for ensuring economic security is the disclosure of non-financial reporting by companies, which was confirmed in March 2023 by the President of the Russian Federation V.V. Putin, speaking at the Congress of the Russian Union of Industrialists and Entrepreneurs (Russian Union of Industrialists and Entrepreneurs, 2023). In this regard, the

purpose of the study is to assess the non-financial reporting of domestic construction companies and develop recommendations for its improvement. As a result of the study, the authors concluded that it is advisable to choose integrated reporting as the optimal type of non-financial reporting for construction companies, as a promising model that optimally combines financial and non-financial information. The results obtained have practical application in developing a methodology for non-financial reporting by construction companies in the current regulatory environment, as well as considering international standards in this area. The recommendations received contribute to the standardized and unified disclosure of financial and non-financial indicators in non-financial reporting, which increases the economic security of each business entity and the construction industry in general.

MATERIALS AND METHODS

The relationship between sustainability, corporate social responsibility (CSR), non-financial information, and the performance of the economic entity is beyond doubt (Xu & Liu, 2023). In addition, the authors emphasize the significant impact of ESG ratings on the financial risks of companies (Włodarczyk et al., 2024). The works of individual authors (Altendorfer, 2024) prove a higher reaction of the capital market to the simultaneous disclosure of financial and non-financial information in the reporting of economic entities, which emphasizes the role of non-financial reporting in attracting investment in the company. In this regard, the role of standards, including national ones, of non-financial reporting is increasing, the absence or presence of which undoubtedly affects the quality and specific characteristics of ESG reporting (Bigelli et al., 2023).

In this regard, following the discussion of reporting with representatives of large businesses, it was decided to prepare, through the Ministry of Economic Development, recommendations describing the main features and key guidelines for non-financial reporting. As a result, the order approving methodological recommendations for sustainability reporting (Ministry of Economic Development of the Russian Federation, 2023), which recommends disclosing non-financial reporting indicators consistently over a retrospective period of at least three years, as well as conducting its independent assessment by audit organizations, was adopted in October 2023. In total, the list of information includes 44 indicators - economic, environmental, social, and managerial.

It should be noted that before the above order, Russian public companies had already formed their non-financial reporting following the Development Concept of Public Non-financial Reporting in the Russian Federation, as well as recommendations on non-financial reporting by the Bank of Russia, published in 2021 and Recommendations on Financial Disclosure of Information in the Field of Sustainable Development (Bank of Russia, 2023).

All this indicates that there is an objective need to form and present non-financial reporting by construction companies, which will ultimately ensure the transparency of investment and construction activities and will contribute to the economic security of each business entity and the industry (Long et al., 2024).

To increase the economic security of the industry, we need to satisfy stakeholders' information requests about all activities of construction companies, which will significantly increase the degree of trust and their investment attractiveness. Currently, many academic researchers note the importance of developing the construction industry with a focus on sustainable development goals. Based on this, the article analyzes the practices of disclosing non-financial information by construction companies. At the same time, the object of analysis was large construction companies, included in the list of strategic construction companies and housing and communal services. The source of information for the analysis was non-financial reporting of these companies, posted on the official website of the Russian Union of Industrialists and Entrepreneurs (RSPP), as well as non-financial reports of companies included in the RAEX-600 rating of 2022 in terms of the structure and content of topics covered.

RESULTS AND DISCUSSION

The Government Commission on Increasing the Sustainability of the Russian Economy approved a list of strategic construction companies and housing and communal services, which included 76 organizations, including 54 groups of construction companies (Gustova, 2020). From this list, the 10 largest construction companies were identified according to the RAEX-600 rating for 2022 (Table 1). The sales volume of products (works, services) in 2021 was determined as the main criterion.

Table 1: The largest construction companies according to the RAEX-600 rating for 2022.

No.	Name	Place in RAEX-600 rating	Sales volume in 2021 (million rubles)	Revenue growth rate for the year (%)
1	PIK Group of Companies	29	487806	28.3
2	Donstroy	104	185427	54.5
3	LSR Group	148	130515	10.6
4	Settle Group of Companies	155	125333	7.6
5	Etalon Group	214	87138	10.8
6	Avtobahn DSK	244	76393	134.3
7	Ingrad Group of Companies	280	67137	-4.9
8	Concern Titan-2	310	59544	12.2
9	Main Directorate of Special Construction, Federal State Unitary Enterprise	320	58114	21.8
10	Monolithic Construction Management - 1	333	56196	9.4

Source: RAEX Rating Review (2022).

Let's consider how widely the largest construction companies are represented on the RSPP website in the area of disclosing non-financial information about their activities in the form of various non-financial reports.

It should be noted that at the current time there are 258 companies generating 1,467 reports issued since 2001 in the "National Register of Corporate Non-Financial Reports" on the official website of the RSPP. These include: environmental reports (ER) - 111, social reports (SR) – 388, reports in the field of sustainable development (SDR) – 576, integrated reports – 392". The distribution of reports by industry sector of companies as of January 2024 is presented in Table 2.

Table 2: Distribution of non-financial reports by industry sector of companies as of January 2024.

Industry affiliation of companies	Number of companies	Number of reports				
		IR	SDR	SR	ER	Total
Oil and gas	23	21	146	9	30	206
Energy	59	183	84	47	36	350
Metallurgical and mining	28	40	95	68	3	206
Finance and insurance	29	18	58	69	0	145
Chemical, petrochemical, perfumery	14	48	37	15	16	116
Telecommunications and communications	17	12	33	28	0	73
Production of food and other consumer goods	15	3	39	25	0	67
Transport, road construction and logistics services	10	13	16	10	6	45
Non-profit organizations	7	0	8	37	0	45
Other types of production, services	9	0	16	17	0	33
Trade, retail	8	16	16	0	0	32
Woodworking, pulp and paper	6	6	3	4	18	31
Industry reports	4	0	1	30	0	31
Manufacturing of machinery and equipment	6	21	2	1	0	24

Housing and communal services and consumer services	5	4	3	14	1	22
Construction	8	7	12	0	1	20
Education, healthcare	7	0	2	11	0	13
Healthcare and sports	3	0	5	3	0	8

Source: own elaboration.

The data in Table 2 indicates that the leaders of non-financial reporting are companies of the energy, metallurgical and mining, as well as oil and gas industries. The construction industry is presented quite modestly on the RSPP website. A total of 8 companies presents various types of non-financial reporting, the bulk of which are represented by reports in the field of sustainable development. The history and dynamics of various types of non-financial reports by construction companies are presented in table 3.

Table 3: History of various types of non-financial reporting in the construction industry, posted on the website of the Russian Union of Industrialists and Entrepreneurs.

Construction companies	Types of non-financial reporting disclosed by construction companies for the period 2008-2022							
1. PIK Group of Companies				2 0 1 8 SDR	2 0 1 9 SDR			
2. JSC Commercial Real Estate FPC Garant-Invest						2 0 2 0 SDR	2 0 2 1 SDR	2 0 2 2 SDR
3. Etalon Group			2 0 1 7 IR	2 0 1 8 IR	2 0 1 9 IR	2 0 2 0 IR	2 0 2 1 IR	2 0 2 2 SDR
4. Brusnika							2 0 2 1 IR	
5. JSC Shchurovsky Cement	2 0 0 8 - 2 0 0 9 ER							
6. Holcim (Rus)		2 0 1 0 - 2 0 1 1 SDR						
7. LSR Group			2 0 1 7 SDR	2 0 1 8 SDR	2 0 1 9 SDR	2 0 2 0 SDR	2 0 2 1 SDR	
8. Samolet Group								2 0 2 2 IR

Source: own elaboration.

These tables illustrate that the disclosure of various types of non-financial reports in the construction sector began in 2008-2009 by the company JSC Shchurovsky Cement, which first generated environmental reporting. Further in 2010-2011, Holcim (Rus) presented a sustainability report. Since 2017, individual construction companies have become more active in creating and presenting sustainability reports and integrated reports (Etalon Group, LSR Group). However, the disclosure of non-financial information is not stable in the industry, which reduces the transparency and investment attractiveness of construction companies.

From the list of construction companies that post their non-financial reports on the RSPP website, three companies (PIK Group of Companies, Etalon Group, LSR Group) are included in the RAEX-600 rating for 2022.

To study the information in non-financial reports, the authors took various types of non-financial reports from 8 companies presenting their reports on the RSPP website (PIK Group of Companies, JSC Commercial Real Estate, FPK Garant-Invest, Etalon Group, Brusnika, JSC Shchurovsky Cement, Holcim (Rus), LSR Group, Samolet Group) and the 10 largest companies included in the RAEX-600 rating 2022. Since three companies are in both samples, we will analyze the content of non-financial reports of 15 construction companies (table 4). **Table 4: Significant topics of non-financial reports of construction companies that post their reports on the RSPP website and are included in the RAEX-600 rating for 2022.**

Name of the organization	Report title	Significant Report Topics											Total topics covered	
		Years	About company	Results	Strategic development	Environmental protection	Related parties involvement	Taking care of employees	Ethics and anti-corruption	Corporate management	Sustainable development	Corporate social responsibility		Appendix
1. Brusnika	Annual report	2021	+	+	+						+		+	5
		2020	Not available											
2. JSC Garant Invest	Sustainability report	2021	+		+					+	+		+	5
		2020	+			+	+				+		+	5
3. LSR Group	Sustainability report	2021	+		+	+	+		+	+	+		+	7
		2020	+		+			+	+		+			5
4. PIK	Sustainability report	2020	+			+		+		+			+	5
		2019	+			+		+		+			+	5
5. Samolet Group	Annual report	2021	+		+				+	+			+	5
	Annual report	2020	+		+				+		+		+	5
	Sustainability report	2021	+			+		+	+	+			+	6
6. Holcim (Rus)	Integrated annual report	2021	+		+	+		+			+			5
		2020	+	+		+		+			+		+	6
7. JSC Shchurovsky cement	Non-financial report is not available.	2024	+											1
8. Etalon Group	Annual report	2021	+		+					+			+	4
		2020	+	+	+	+	+	+					+	7
9. Donstroi	Report is not available, but fragmentary information is provided on the website.	2024	+	+										2
10. Settle Group of Companies	Report is not available, but fragmentary information is provided on the website.	2024	+			+		+			+	+		5
11. Avtobahn DSK	Report is not available, but fragmentary information is provided on the website.	2024	+			+		+			+	+		5

12.Ingrad Group of Companies	Annual report	2019	+	+	+					+			+	5
	Report is not available, but fragmentary information is provided on the website.	2024	+	+	+								+	4
13.Concern Titan-2	Report is not available, but fragmentary information is provided on the website.	2024	+			+		+					+	4
14.Main Directorate of Special Construction, Federal State Unitary Enterprise	Report is not available, but fragmentary information is provided on the website.	2024	+						+					2
15.Monolithic Construction Department -1	Report is not available, but fragmentary information is provided on the website.)	2024	+	+										2
Total reports that cover significant topics			23	7	11	11	3	10	2	9	11	4	14	-
			48%	48%	13%	43%	9%	39%	48%	17%	61%	-		

Source: own elaboration.

The data in Table 4 allows us to conclude that out of the 15 companies analyzed, only 7 generate various types of non-financial reports. Thus, reports in the field of sustainable development are prepared by JSC Garant Invest, LSR Group, PIK, Samolet; annual reports – Brusnika, Samolet, Etalon Group; integrated annual reports – Holcim (Rus). The remaining 8 companies do not generate non-financial reports. They present scattered non-financial information on their official websites, which creates difficulties for stakeholders in searching, analyzing and comparing the necessary data for different time intervals.

The analysis also revealed a lack of systematic disclosure of non-financial information. For example, the PIK company compiled sustainability reports for 2019 and 2020, but it did not submit them in 2021. In this regard, when forming a sample for the study, there was a lack of non-financial reports for certain years. In this regard, to assess the content of reports, non-financial reports for 2020 and 2021 were taken as a basis. However, as for the PIK company, the authors assessed reports for 2019-2020. For companies whose reporting is not presented on the RSPP website, the information from official websites was studied to analyze the disclosed non-financial information.

In almost all reports, the principle of comparability of indicators is poorly observed, since when analyzing significant topics disclosed in non-financial reports of construction companies under study, the principle of comparability is violated in almost all of them. There is no continuity of indicators. So, if in 2020 the topic was disclosed in the report, then in 2021 it may not be and vice versa. This significantly complicates the objective picture of what is happening in the company by interested users.

In most construction companies, the importance of material topics varies from 100 to 9 percent, indicating different prioritization. At the same time, it was established that preference in reports is given to sustainable development goals of companies, which allows us to draw conclusions for the industry. But this trend is still very weak.

The formation of non-financial reports of companies under study is carried out on the basis of various international standards (table 5). At the same time, construction companies give preference to international standards of non-financial

reporting. The GRI standard is most often used. Thus, the Samolet company uses GRI and TCFD standards, and the LSR Group uses three standards: GRI, TCFD and SASB.

Table 5: International standards of non-financial reporting by construction companies.

Construction companies	International standards		
	GRI	TCFD	SASB
1. Brusnika			
2. JSC Garant Invest	+		
3. LSR Group	+	+	+
4. PIK	+		
5. Samolet Group	+	+	
6. Holcim (Rus)	+		
7. Etalon Group	+		
Total	7	2	3

Source: own elaboration.

In the studied sample of construction companies, the information about various types of capital is disclosed to one degree or another, according to the concept of its multiplicity (table 6).

Table 6: Information of various capital disclosed as part of non-financial reporting for 2021 by large construction companies of the Russian Federation.

Company	Types of capital according to the concept of plurality of capital					
	Human capital	Social and reputational capital	Natural capital	Intellectual capital	Production capital	Financial capital
Brusnika	Information is not available in the report, but information about the company's board of directors is disclosed.	Development of regions of presence, as well as participation in various industry ratings.	Information is not systematically disclosed in the report, but the SDGs are noted in the report (separate waste collection at construction sites, revitalization of Lake Tikhoe in Tyumen, etc.)	Research and development, digitalization and IT solutions.	Operational and financial indicators, production capacities and their geography, and production structure are widely presented.	Publication of financial statements for 2021 on the official website of the organization. Product development, market positions, asset structure, ongoing investment projects.
JSC Garant Invest	Report devotes an entire section to personnel development, motivation and reward, training and development system, corporate culture, social support for personnel, etc.	Social (support for veterans, the Red Cross program Direct Dialogue, etc.) and sponsorship projects, charity events implemented by the company. Children's programs, social marketing campaigns.	Information on the volume of energy consumption and energy efficiency, energy saving measures, emissions of pollutants into the atmosphere, consumption of water resources, waste management, etc. is disclosed in great detail. Conducted environmental actions.	Information is not available in the report.	General operating indicators of the company's financial activities.	Publication of financial statements for 2021 on the official website of the organization.

LSR Group	Number and structure of personnel, personnel development and training programs. Average salary, amount of investments aimed at implementing social programs for employees, labor protection and safety.	Charitable activities, ongoing social projects.	Measures to reduce greenhouse gas emissions. Information is disclosed on climate risks, energy efficiency, water resource management, pollutant emissions, land reclamation and biodiversity, and environmental protection.	Information is not available in the report.	Disclosure of overall performance indicators.	Publication of financial statements for 2021 on the official website of the organization. Market positions.
PIK	Number of personnel, reward, evaluation and motivation of employees, training and professional development, list of activities in the field of labor protection, etc.	Social support for company employees, participation in industry associations and external initiatives, social responsibility of business, development of social infrastructure, charitable and volunteer activities.	Volume of costs for environmental activities and environmental projects.	Development of IT technologies and digitalization.	Key operational indicators of the company's activities.	Publication of financial statements for 2021 on the official website of the organization.
S a m o l e t Group	Number of personnel, reward, evaluation and motivation of employees, social costs for personnel, injuries and deaths at work, list of measures in the field of labor protection, etc.	Value of the brand, the company's position in the market, charitable and volunteer activities.	Greenhouse gas emissions, information on energy consumption and energy efficiency.	Development of IT technologies, digitalization, innovation activities.	Key financial indicators of the company's activities. Project portfolio.	Publication of financial statements for 2021 on the official website of the organization.
Holcim (Rus)	Number of personnel, reward, evaluation and motivation of employees, list of measures in the field of labor protection.	Interaction with interested parties and receiving feedback. Charity and sponsorship activities.	Environmental protection measures. Environmental management system.	Implemented IT projects, digitalization system, innovation activities.	Key financial indicators of the company's activities. Project portfolio.	Publication of financial statements for 2021 on the official website of the organization.
Etalon Group	Number of employees, reward, evaluation and motivation of employees.	Principles of corporate management.	General environmental aspects of the company's activities.	Information is not available in the report.	Key financial indicators of the company's activities.	Publication of financial statements for 2021 on the official website of the organization.

Source: own elaboration.

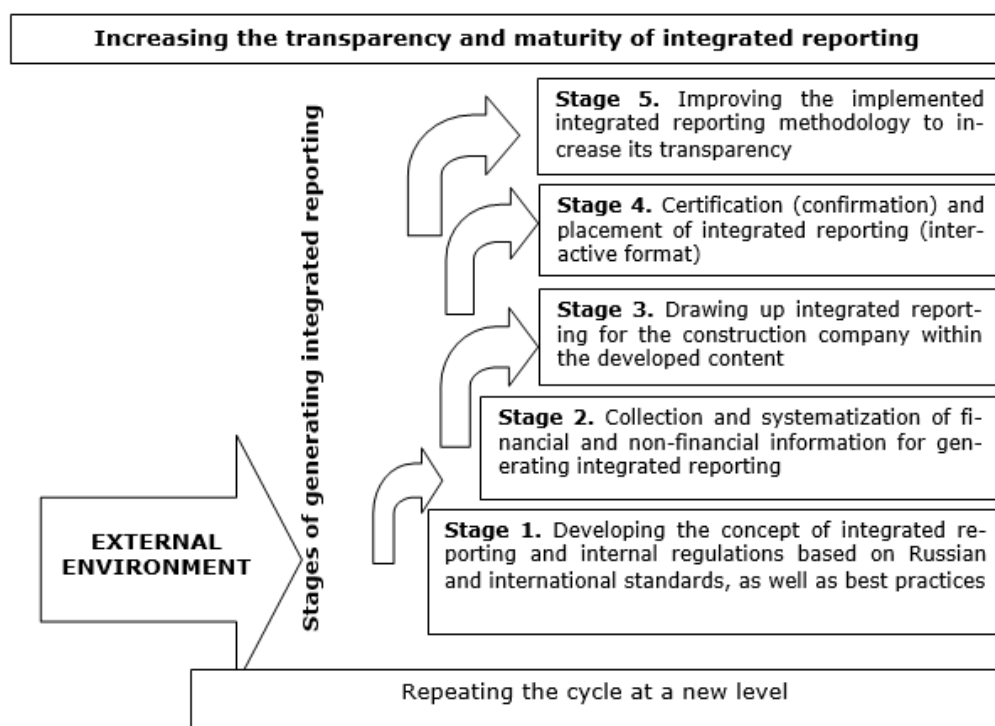
Based on the assessment of various non-financial reporting by construction companies, we came to the conclusion that we should be guided both by international and domestic standards when compiling this reporting, which will allow forming a more professional judgment about the company's sustainability. At the same time, as the optimal type of non-financial reporting, it is advisable to choose integrated reporting as the most promising model, which optimally combines financial and non-financial information (Gorshkova et al., 2022; Tanaka & Tsuda, 2023). It is advisable to include the following information in integrated reporting for construction companies:

1. Characteristics of the company.

2. Company performance results (key operating indicators).
3. Strategic development.
4. Environmental protection.
5. Caring for employees.
6. Corporate management.
7. Sustainable development.
8. Appendix.

As a methodology for generating integrated reporting by construction companies, it is advisable to follow the mentioned algorithm (Figure 1). The recommended methodology is built considering the company's maturity and includes 5 stages of developing integrated reporting: developing a concept, collecting and systematizing information, compiling integrated reporting, its verification, as well as monitoring the implemented algorithm for bottlenecks and growth points for adjusting the concept. Next, the adjusted concept is implemented at a new level of maturity and throughout the entire life cycle of the construction company.

Fig 1: Methodology for generating integrated reporting by companies.



Source: own elaboration.

The main concept of integrated reporting is the concept of capital plurality, which discloses the information on all types of capital. This concept was used when assessing non-financial reporting of domestic construction companies. Of course, each type of capital is characterized by its own set of both financial and non-financial indicators, considering the specifics of the construction industry. In accordance with the order of the Ministry of Economic Development of Russia dated November 1, 2023 No. 764 "on approval of methodological recommendations for reports on sustainable development", it is recommended to calculate the value added and net value added in the economic indicators section. However, in our opinion, it is advisable to supplement these indicators with other types of the value added (table 7).

Table 7: Modern types of the value added.

Indicator	Concept	Formula	Purpose of the indicator
Economic value added (EVA)	EVA is an indicator of the true financial condition of the company and a strategy that leads to the wealth of the company and shareholders. The EVA indicator is defined as the difference between the net profit and the cost of the company's equity capital used to obtain it.	(EVA) = Net operating profit after taxes - charge for capital	EVA helps managers analyze where the value is created and effectively manage cash flows.
Market value added (EVA)	EVA measures the extent to which the company's market capitalization (the market price of its shares multiplied by the number of shares outstanding) exceeds the value of its net assets as shown on its balance sheet.	EVA = Market capitalization of the company - the value of net assets (equity) according to the company's balance sheet	Maximizing this value added may represent one of the company's strategic goals.
Equity value added (SVA)	Used to assess strategic decision-making.	SVA = Estimated cost of capital - Book value of capital	Characterizes the profitability of the company and the position of its shares on the market.
Cash value added (CVA)	The amount of cash flow that remains for shareholders after reimbursement of the costs of invested capital.	CVA = Capitalization of invested capital * (MRic - cost of invested capital) where MRic is the monetary return on invested capital, %.	
Gross value added	The gross value added includes the consumption of fixed capital, but the value-added indicator is intended to measure the value created in production.	The difference between output and expenditure on intermediate consumption. Value added = labor (including taxes and mandatory payments) + depreciation + rent + interest + profit.	It is a balancing item in the production account
Managerial value added (MVA)	MVA is the difference between what managers bring to the company and their compensation. The value added of the company must be compared with the total amount of taxes, the value added by shareholders, operating and management costs. If this total amount is greater than the value added then MVA is negative. And then we can conclude that managers are not worth their salaries. If the result is opposite, then the expenses on managers are paid off.	MVA = Revenue - economic costs of resources, including management	MVA is the income that management brings to the company. Each monetary unit spent by the company on management brings a certain part of the value added.

Source: Alekseeva (2013).

The calculation and presentation of value-added indicators promotes transparency of each component of the capital earned by the construction company and contributes to the growth of its investment attractiveness, as well as economic security.

CONCLUSIONS

The focus on sustainable development goals and balanced disclosure of information about the company's environmental, social, and economic activities in the construction business affect the attractiveness of this sector of the economy for stakeholders. The key issue now is the integration of sustainable development into the business model and the assessment of its impact on costs. Sustainable development in construction creates and implements objects that will harmonize the integration of three areas of sustainable development (ecology, social policy and corporate management). This approach requires systematic and strategic thinking.

Thus, the formation, complete, and full disclosure of non-financial reporting is an important factor in increasing the economic security of domestic construction companies. This is very important when assessing investment attractiveness. Today, the practice of disclosing non-financial information by construction companies is insufficient and requires increased work in this direction.

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