Company Value: Disclosure Implications of Sustainable Supply Chian, Profitability and Industrial Profile

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Abstract- **The success of your business is inextricably linked to the productivity of your supply chain. This study aims to analyze the effect of Sustainable supply chian, Profitability and Industry Profile on Company Value. The sampling technique used was purposive sampling. The research was conducted on companies that are consistently included in the SRI KEHATI Index on the Indonesia Stock Exchange with a research period of 3 (three) years (2016-2018). The model estimation used is multiple regression analysis. The purpose of this study is to determine whether Sustainable supply chain Report, Profitability and Industry Profile have an influence on company value. The results of this study are Sustainable supply chain Report and Profitability affect the company value in accordance with Agency Theory and Stakeholder Theory. But the industry profile does not affect the company value.**

Keywords: *Sustainable supply chain Report, Profitability, Industry Profile, Company Value*

1. Introduction

One of the purposes of establishing a company is to achieve maximum profits, as expected. The main purpose of companies that have released IPO (initial public offering) is to increase the prosperity of the owners or shareholders through increasing the company value. If the company value increases, the greater prosperity will be received by the shareholders.

Company value is a market value, where the higher of the stock price, the company value also increases higher, with the welfare guarantee the shareholders will not hesitate to invest their capital. Company value will be guaranteed sustainable growth if the company also pays attention to economic, social and environmental dimensions. According to Eipsten and Freedman in Wibowo [1] investors are attracted to additional information such as environmental, social, and economic information that can be expressed in an integrated manner by the company. This additional information can also be referred to as the company's social responsibility report. The Sustainable supply chain reporting is widely used by investors in predicting the market value of a company. Investors are interested in understanding how the company's approach and performance is sustainable in various aspects, especially the economic, environmental and social aspects, including the potential to create corporate value through sustainable management.

Environmental damage is a serious problem in recent years. One of the economic actors that is often the cause of environmental problems is the company. For example Kendari Bay, Southeast Sulawesi, until 2018 it is still experiencing contamination of mercury and hazardous and toxic materials from large industries. This condition has a wide impact on the damage of mangroves, polluted marine biota to the coastal abrasion of Kendari Bay. Human life is threatened by the effect of this pollution. Data from Kendari City's Department of Marine and Fisheries (DKP) said that Kendari's mangrove forest had shrunk from 525 hectares to 367.5 hectares. The reason is, besides the development process, there is also the influence of hazardous chemicals in the mangrove roots. Mercury pollution and Hazardous and toxic materials waste exceed the threshold to make mangrove roots no longer function. Water quality in the Kendari River in physics, chemistry, and microbiology, experienced are different pollution. In protected forests or mangrove forests, water pollution at 2.2 index values, densely populated residential areas and pollution index trading area 3.75. In other regions of the Kendari Bay coast, there is a pollution index of 3.74 with each pollution load of two kilograms of Hazardous and toxic materials waste every day.

Not only from large industries but also small industries contribute to environmental pollution. In Kendari City, businesses such as home industries, garments, restaurants, and hotels almost all do not have Waste Water Treatment Plants (WWTPs). Based on data compiled from the Kendari City Licensing Service, if a comparison is made, only 1 in 5 small industries have WWTPs. If the waste is not processed through WWTP, it certainly affects the surrounding ecosystem. These bad bacteria quickly affect water quality, especially rivers and seas, and the average population of the Kendari area lives around rivers and bays.

Many business people, both from large industry and small or medium industries, exploit natural resources and human resources to increase company profits. But this will actually cause unwanted long-term impacts. In the short term, the company's profits may increase, but on the other hand, the damage caused by the production process also increases, so that it will cause costs for cleanliness, health, and environmental Sustainable supply chain. This resulted in the company's image decreasing.

Therefore the company needs to make a Sustainable supply chain Report that functions as a form of corporate accountability to stakeholders in the form of a report. Sustainable supply chain Report is a report issued by a company or organization regarding economic, social and environmental impacts in daily activities.

IJSCM, ISSN: 2050-7399 (Online), 2051-3771 (Print)

Sustainable supply chain Report disclosure is one form of communication and concern for the company towards the community. Companies that disclose Sustainable supply chain Reports tend to provide more information to the public, so they can increase the company's "images" and community "trusts". One of the benefits of Sustainable supply chain reports is to give confidence to investors and creditors that their investments are free from environmental risks and social risks. Investing funds into the company carried out by investors through the purchase of shares will be able to increase the company value which is proxy by the stock price.

Shareholder value will increase if the company value increases, marked by a high return on investment to shareholders. One of the factors that influence company value is profitability. Based on the results of several previous studies, the company value can be increased through profitability. The size of the company's profits will affect the company value. High profitability shows good prospects for the company, so investors will respond positively to these signals, so that the company value increases.

Regarding the issue of Sustainable supply chain reports, Lourenco [2] study found that companies that have a Sustainable supply chain reputation have a higher market value. Profitability has a significant negative effect on firm value.

Muallifin [3] show that Sustainable supply chain reporting does not have an effect on market performance. Tarigan [4] study shows that the economic dimensions of Sustainable supply chain reporting have no effect on financial performance, while environmental and social dimensions negatively affect financial performance. Safitri [5] found that Sustainable supply chain reporting disclosure had a significant positive effect on financial performance and Sustainable supply chain reporting disclosures had a significant positive effect on market performance.

Based on the description above, with the existence of research gaps, the researchers intend to reexamine the impact of Sustainable supply chain Reporting, profitability and Profile Industry on the company value. The object in this study is the company included in the SRI KEHATI Index. The SRI KEHATI index is used as the object of research because it includes companies that have high quality both in terms of liquidity, profitability and CSR performance but not all have compiled the Sustainable supply chain Report.

1.1. Formulation of the problem

Based on the background described, the formulation of the problem in this study is:

1) Does the Sustainable supply chain report disclosure affect the company value?
2) Does profitability affect the company value?
3) Does the industry profile affect the company value?

2. Literature Review

2.1. Signaling theory

According to Magness in Laurenco [2] the situation of information asymmetry between internal and external parties of the company, when associated with Signaling theory is that managers in companies that have high quality want to give a signal about the company's value to stakeholders.

Corporate Social Responsibility Disclosures aim to provide additional information about company activities as well as a means to signal to stakeholders about the company's concern for its social and environment. The disclosure of Corporate Social Responsibility for stakeholder expectations is as a signal given by management to the public that the company has good prospects in the future and ensures the creation of Sustainable supply chain development [23].

2.2. Stakeholder Theory

Stakeholder theory says that a company is not an entity that only operates for its own sake but must provide benefits to its stakeholders. Thus, the existence of a company is strongly influenced by the support provided by stakeholders to the company. Corporate social responsibility should go beyond maximizing profit for the benefit of stakeholders, but more broadly that the welfare that can be created by the company is actually not limited to the interests of shareholders, but also to the interests of stakeholders, namely all parties that have an interest or interest towards the company. To meet the needs of stakeholders, the company, among others, issues Sustainable supply chain reporting which is expected to further increase the company value.

2.3. The company value

The company value in this study is defined as market value, as well as research conducted by Gunawan [6], because the company value can provide maximum shareholder prosperity if the company's stock price increases. The higher the stock price, the prosperity of shareholders will be higher. In order to achieve company value, investors generally hand over their management to professionals. Professionals are positioned as managers or commissioners

Gunawan [6], explain that enterprise value (EV) or also known as firm value is an important concept for investors because it is an indicator for the market to assess the company as a whole. Basically, the purpose of financial management is to maximize the company value. However, behind this goal, there is still a conflict between the owner of the company and the provider of funds as a creditor. If the company runs smoothly, then the company value's shares will increase, while the company value 's debt in the form of bonds is not affected at all. So it can be concluded that the value of ownership shares can be the right index to measure the level of effectiveness of the company. Based on that reason, the purpose of financial management is expressed in the form of maximizing the company value's ownership shares or maximizing the share price.

The purpose of maximizing stock prices does not mean that managers must try to find an increase in share value at the expense of bondholders. The company's goal is basically to maximize company value. To achieve this goal, there is still a conflict between the owner of the company and the provider of funds as a creditor. If the company runs smoothly, then the company value's shares will increase, while the company value's debt in the form of bonds is not affected at all. It can be concluded that the value of ownership shares can be the right index to measure the level of effectiveness of the company. Based on that reason, the purpose of financial management is expressed in the form of maximizing the company value's ownership shares or maximizing share prices. The purpose of maximizing stock prices does not mean that managers must strive to increase stock values at the expense of bondholders [5].

A company is considered to have good value if the company's performance is also good. The company value can be reflected in the price of its shares. If the value of the shares is high it can be considered that the company value is also good. Because of the main goal of the company is to increase the company value by increasing the prosperity of the owners or shareholders [6].

2.4. Sustainable supply chain Report

The growing Sustainable supply chain reporting is part of the concept of sustainable development. Sustainable supply chain development means that current development can be fulfilled without having to reduce the needs of future generations to meet their needs [7]. Sustainable supply chain development needs to be implemented because current economic activities tend to damage the global ecosystem and hamper the needs of the next generation. Sustainable supply chain reporting is used as a media for corporate information to stakeholders to support sustainable development. According to Elkington [8], disclosure of organizational performance in Sustainable supply chain reporting focuses on three aspects called the Triple bottom line, which consists of economic, social, and environmental. Fajarini [9] said economists were the group most reluctant to deal with Sustainable supply chain issues because they treated Sustainable supply chain as a matter of economic resources rather than public problems. The reason why economists are reluctant to recognize Sustainable supply chain as a public issue is that the concept of Sustainable supply chain is fundamentally incompatible with conventional economic theory [10].

Sustainable supply chain reporting for companies in the publication of information that reflects organizational performance in the economic, social, and environmental dimensions. Focus on Sustainable supply chain helps organizations manage social and environmental impacts, and can improve operational efficiency and natural resources [10]. The Sustainable supply chain report is expressed as a form of the company commitment to the community and the environment around the company. The Sustainable supply chain report is an information medium for internal and external stakeholders to assess whether the management of a company has carried out what has become its responsibility [11].

The Corporate Social Responsibility currently disclosed in the Sustainable supply chain Report reports transparently the economic, environmental and social impacts of company activities. Openness about these matters will convince stakeholders that the company has been managed well and that the company has paid attention to the interests of investors and thus will build investor confidence [12].

2.5. Profitability

Every company expects to get maximum profit. Profit is the main measure of success of a company. Profitability is the end result of a number of policies and decisions made by the company. Wibowo [1] explained that profitability is:

"Profitability consists of several ratios that measure overall management effectiveness and are shown by the size of the profit gained in relation to sales and investment. The better of the profitability, the level of the company's ability to make a profit will be better."

The notion of profitability according to Gunawan and Mayangsari [6] is "the company's ability to generate profits with all the capital working in it, a ratio that shows the company's ability to benefit from the use of its capital". Whereas according to Brigham [13] profitability is the end result of a number of policies and decisions made by the company.

Based on the theory of the experts above, it can be concluded that profitability is the company's ability to generate profits by using existing resources within the company itself. Profitability measures the level of profits generated by the company. Profitability includes all income and costs incurred by the company as the use of assets and liabilities in a period. Profitability can be used as information for shareholders to see the benefits actually received in the form of dividends. Investors use profitability to predict how much changes in the value of shares owned. Creditors use profitability to measure a company's ability to pay loan principal and interest for creditors.

In this study, the ratio used to measure profitability is Return on Assets (ROA). Return on Assets (ROA) which can be formulated as follows [13]:

$$ROA = \frac{Net\ income\ available\ to\ common\ stockholders}{Total\ Assets}$$

2.6. Industry Profile

Industrial profiles are divided into two types, namely high-profile and low-profile industries. Robert in Muallifin [3] describes a high-profile industry as a company that has a high level of sensitivity to the environment (consumer visibility), a high level of political risk or a level of intense competition. This situation made the company more focused on the activities of its companies.

The low-profile industry is the opposite. This company has a consumer visibility level, a level of political risk, and a low level of competition, so it does not get too much attention from the public about the activities of its companies even though in conducting these activities the company makes a mistake or failure in the process and production results. Consumer-oriented companies can be expected to show greater attention by demonstrating their social responsibility to the community, because this enables an increase in the company's image and influences sales.

2.7. Previous research

Based on the results of several previous studies, the company value can be increased through profitability. The size of the company's profits will affect the company value. High profitability shows good corporate prospects, so investors will respond positively to these signals, so that the company value increases.

The company value will be guaranteed to grow sustainably if the company also pays attention to economic, social, and environmental dimensions. According to Eipsten and Freedman in Wibowo [1] investors are attracted to additional information such as environmental, social, and economic information that can be expressed in an integrated manner by the company. This additional information can also be referred to as the company's social responsibility report.

Dhaliwal et al in Samuel [4], Agussalim [14] stated that Sustainable supply chain reporting is widely used by investors in predicting the market value of a company. Investors are interested in understanding how the company's approach and performance are sustainable in various aspects, especially the economic, environmental and social aspects, including the potential to create corporate value through sustainable management.

Along with the company's efforts to increase the company value by maximizing managerial performance, the company must also be responsible for the negative effects arising from the company's activities by disclosing sustainable reports. This will have a positive impact on company value.

Several previous studies regarding company value showed different conclusions. Desfiandi [15] research that profitability has a significant negative effect on firm value. The study also stated that dividend policy and investment opportunity or investment opportunity set (IOS) moderated the effect of profitability on firm value.

Meanwhile, the results of research by Muallifin [3] show that Sustainable supply chain reporting does not have an effect on market performance. Tarigan [4] study shows that the economic dimensions of Sustainable supply chain reporting have no effect on financial performance, while environmental and social dimensions negatively affect financial performance. Safitri [5], Shinta [16] found that Sustainable supply chain reporting disclosure had a significant positive effect on financial performance and Sustainable supply chain reporting disclosures had a significant positive effect on market performance.

Research conducted by Luthfia [17_21] shows that there are differences in financial performance between before and after participating in the Indonesia Sustainable supply chain Reporting Awards (ISRA) during the period 2007-2011. This is because companies that participate in ISRA, will have a positive image so as to increase the interest in people's purchasing power to the company's products. This causes the company's sales volume to continue to grow, and profits will also increase. Companies that implement and report on social and environmental responsibility have an influence on the company's financial performance because companies that disclose more information about social responsibility have better financial performance than companies that have less information on corporate social responsibility.

2.8. Framework

Based on the periodization chosen in this study and on the previous description, the theoretical framework of this research is described as follows:

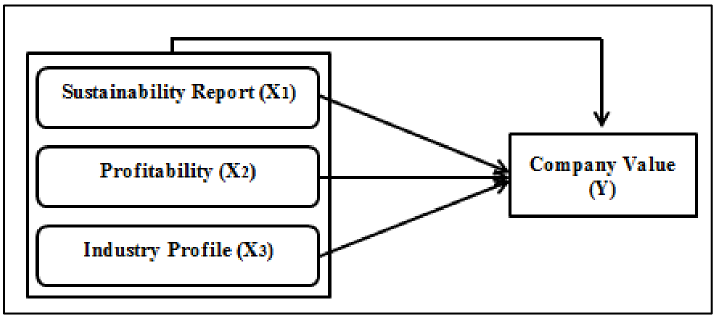

Fig 1. Framework of Thinking

2.9. Research Hypothesis

By referring to the problem formulation, literature review and the framework outlined described above, the hypothesis proposed in this study are:

H1: Sustainable supply chain report affects the company value.

H2: Profitability affects company value.

H3: Industry profile affects the company value.

3. Methods

3.1. Type of Research

This research is causal research, namely research that aims to test hypotheses about the effect of one or several variables on other variables. The researcher used the research design to provide empirical evidence about the effect of the Sustainable supply chain report, profitability and industry profile on firm value.

3.2. Variable Research and Operationalization

3.2.1. Sustainable supply chain Report

The disclosure of CSR information in the annual report and the Sustainable supply chain report of the business entity are calculated using the CSR disclosure index with the GRI standard version 4.0, amounting to 161 items, then re-adjusted to each company. CSRI calculations are carried out by giving a score of 1 if one item is disclosed, and 0 if not disclosed. After scoring all items, the score is summed to obtain the overall score for each company. The CSRI calculation formula is:

$$CSRIj = \frac{\sum Xij}{n_j}$$

CSRIj : *Corporate Social Responsibility Index* of company j

$\sum$Xij : The number of items disclosed by the company j

n_j : Number of items for companies based on Index of GRI 4.0 (91 items)

3.2.2. Profitability

Profitability is the company's ability to make a profit. In this research, profitability is measured by Return On Assets (ROA). Return on Assets (ROA) that can be searched by the formula as follows :

$$ROA = \frac{Net\ income\ available\ to\ common\ stockholders}{Total\ Assets}$$

3.2.3. Industry Profile

Industrial profiles are measured using dummy variables, namely giving a score of 1 to companies included in the high-profile industry, and a score of 0 for companies included in the low-profile industry. According to Muallifin [3], high-profile companies are generally companies that get public attention because their operating activities have the potential to intersect with broad interests. High-profile companies include oil mining companies, chemicals, forests, paper, automotive, aviation, agribusiness, tobacco and cigarettes, food and beverage products, media and communication, energy (electricity), engineering, health, transportation, and tourism. While low-profile companies are companies that do not get the broad spotlight from the public when their operations experience failure or errors in certain aspects of the process or production results. The companies included in the low-profile industry group consist of buildings, finance, and banking, suppliers of medical equipment, property, retailers, textiles and textile products, personal products and household products.

3.2.4. Company Value

Company value can basically be measured through several aspects, one of which is the market price of a company's stock because the market price of a company's stock reflects the overall valuation of investors on each equity owned. The company value uses the PBV proxy (Price to Book Value) with the formula:

$$Price\ to\ Book\ Value = \frac{\text{stock market price per share}}{\text{book value per share}}$$

3.3. Population and Research Samples

The population was used in this study were companies listed on the SRI KEHATI Index during the study period (2016-2018). The SRI KEHATI Index describes companies that are economically profitable while taking into account environmental concerns, corporate governance, community involvement, human resources, human rights, and business behavior with business ethics accepted at the international level. Based on the above criteria, KEHATI Foundation stipulates that 25 (twenty five) selected companies each period are considered to meet the criteria in the SRI KEHATI index so that it can become a guideline for investors.

The sampling technique used was purposive sampling. Samples are set for certain types of groups who can provide the information needed because the group is the only party that has information or because the group matches the criteria set by the researcher.

3.4. Data collection technique

The method of collecting data in this research is carried out in the following ways:

a) Documentation, which is data collection available on the object of research.

b) Library Studies, namely from the literature that deals with problems in writing this research.

3.5. Data analysis method

Data analysis was performed using the SPSS 23 program which included analysis as follows:

a) Test Descriptive Statistics.

b) Classical Assumption Test consisting of, Normality Test, Multicollinearity Test, Heteroscedasticity Test, and Autocorrelation Test.

c) Feasibility Test Model consisting of Analysis of the Determination Coefficient (R2 test), Simultaneous Regression Coefficient Test (F Test) and Partial Test (t Test).

4. Results

4.1. Description of Research Object

Based on data obtained from the official website of the Indonesia Stock Exchange or www.idx.co.id, it is known that companies that are consistently listed in the SRI KEHATI Index during the study year (2016-2018) are 22 companies. Determination of the study sample was carried out by purposive sampling method. Based on the established criteria obtained 16 companies as samples, as shown in Table 1:

Table 1. Sample Selection Results

No	Results of sample determination	Number of criteria
1	Companies that consistently list in the SRI KEHATI index in 2016-2018	22
2	Companies that have not published financial reports in 2018	(5)
3	Companies that do not have complete data in accordance with the needs of the research sample	(1)
	total companies sampled	16

4.2. Descriptive statistics

This is the result of descriptive statistical test:

Table 2. Descriptive Statistics Test Results

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
SR	48	.044	.887	.35449	.277340
ROA	48	2.520	42.650	24.61527	.641215
PI	48	.000	1.000	.27673	.447119
PBV	48	1.82	36.87	6.8162	.544039
Valid N (listwise)	48				

Based on the results of the minimum descriptive statistical test, the SR value is 0.044 maximum of 0.88 and the average is 0.35. The profitability of the company is proxy by the value of Return on Assets, a minimum of 2,520, a maximum value of 42,650. Industry profile values measured by Dummy variables have a minimum value of 0 and a maximum 1. Minimum The company value measured by PBV is 1.82, the maximum is 36.87 and the average is 6.81.

4.3. Classic assumption test

4.3.1. Normality test

This is the result of Classic assumption test:

Table 3. Normality test

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		48
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	9.11896638
Most Extreme Differences	Absolute	.254
	Positive	.254
	Negative	-.132
Kolmogorov-Smirnov Z		1.706
Asymp. Sig. (2-tailed)		.061

a. Test distribution is Normal.
b. Calculated from data.

Normality test aims to determine the normality of data distribution or not. From the output above, it can be seen that the assumption value model. Sig. (2tailed) = 0.061, then according to the provisions of 0.061> 0.05 then the residual value is normal. Then the data on the model can be said to be normal.

4.3.2. Multicollinearity Test

This is the result of Multicollinearity test:

Table 4. Multicollinearity Test Results

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	SR	.948	1.055
	ROA	.857	1.167
	PI	.818	1.223

a. Dependent Variable: PBV

Based on the results of the analysis using the multicollinearity test found in table 4.4 shows that the VIF value is below number 10, and the tolerance value is above the number 0.10. From the results of these tests, it can be concluded that the regression model does not have multicollinearity problems.

4.3.3. Heteroscedasticity Test

This is the result of Heteroscedasticity test:

Table 5. Heteroscedasticity Test Results

			Unstandardized Residual
Spearman's rho	SR	Correlation Coefficient	.239
		Sig. (2 tailed)	.114
		N	45
	ROA	Correlation Coefficient	-.210
		Sig. (2-tailed)	.166
		N	45
	PI	Correlation Coefficient	.092
		Sig. (2-tailed)	.547
		N	45
	Unstandardized Residual	Correlation Coefficient	1.000
		Sig. (2-tailed)	.
		N	45

From the above output, it can be seen that the variable correlation value with the Unstandardized Residual has a significance value of more than 0.05. Because the significance is more than 0.05, it can be concluded that there is no problem of heteroscedasticity in the regression model.

4.3.4. Autocorrelation Test

This is the result of Autocorrelation test:

Table 6. Autocorrelation Test Results

Model Summary[b]

Model	R	R Square	Durbin-Watson
1	.239[a]	.163	.657

a. Predictors: (Constant), SR, ROA, PI
b. Dependent Variable: PBV

From the output above, the DW value obtained from the regression model is 0.777 Because of the DW value is located between dU and (4-dU) (see the DW table), the null hypothesis is accepted, which means there is no autocorrelation in the model above.

4.3.4. Hypothesis testing

Determination Analysis (R2)

This is the result of Determination Analysis (R2) test:

Table7. Results of Determination Analysis

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.429[a]	.184	.124	24449

a. Predictors: (Constant), SR, ROA, PI
b. Dependent Variable: PBV

Based on the results of the analysis using the coefficient of determination test found in table 7 shows that the Adjusted R Square value is equal to 0.124, this means that 12.4% of the company's value proxied by the price book value can be explained by sustained report, profitability, and industry profile while the rest (while the rest (100% - 12.4% = 87.6%) is explained by other factors outside of this study.

Simultaneous Regression Coefficient Test (Test F)

This is the result of Simultaneous Regression Coefficient Test (Test F):

Table 8. F Test Results

	Model	Sum of Squares	F	Sig.
1	Regression	1149.964	3.143	.004[a]
	Residual	3658.844		
	Total	4808.808		

Based on the simultaneous test that has been carried out a significance test shows F count of 0.004 and 0,000 which means it is smaller than the degree of error that is equal to 5%. From the results of this F test it can be concluded that the linearly estimated linear regression model is used to explain the effect of Sustainable supply chain report, profitability, and industry profile on firm value, and it can also be said that all independent variables jointly influence the dependent variable.

Analysis of Multiple Linear Regression

This is the result of Analysis of Multiple Linear Regression:

Table 9. Regression Test Results

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	.334	.394		.877	.000
	SR	.465	.136	.112	.569	.007
	ROA	.665	.174	.474	.504	.000
	PI	.051	.849	.035	.273	.786

a. Dependent Variable: PBV

The regression equation is as follows:

$$Y' = 0{,}334 + 0{,}465\,X_1 + 0{,}665X_2 + 0{,}051\,X_3 + e$$

The meaning:

Constants of 0.334 means that if the Sustainable supply chain report, profitability, and industry profile value is 0, then the company value is 0.334 one-unit

The Sustained variable regression coefficient of 0.465; meaning that if the sustained magic report increases by one unit then the company value will also increase by 0.465 one-unit. The coefficient is positive, meaning that there is a positive relationship between the Sustainable supply chain report and the company value, the greater the value of the Sustainable supply chain report, the higher the company value. The variable significance value of the Sustainable supply chain report in the table above is 0.007, the significance value is smaller than 0.05, meaning that the Sustainable supply chain report has a significant effect on the company value. The results of this study indicate that the size of the practice of corporate social responsibility affects the increase in the company value. This is in accordance with the theory that a company is not an entity that only operates for its own sake but must provide benefits to its stakeholders. If the company can maximize the benefits received by stakeholders, satisfaction will arise for stakeholders who will increase the company value. Investors have begun to respond well to the social information that the company presents in its annual report. The broader social disclosures that companies make in their annual reports turn out to have an influence on the volume of trading in companies where there is a surge in trade around the publication of annual reports that increase the company value.

The variable profitability regression coefficient is proxied by the return on assets value of 0.665; meaning that if profitability increases by 1 one-unit then the company value will also increase by 0.665 one-unit. The coefficient is positive, meaning that there is a positive relationship between profitability and company value, the greater the profitability, the higher the company value. The significance value of the profitability variable in the table above is 0,000. A significant value is smaller than 0.05 means that profitability has a significant effect on firm value. The results of this study indicate that the company's higher profitability will also increase the company's earnings per share (EPS or earnings per share). The increase in EPS will make investors interested in investing their capital by buying company shares. The proof is that with the number of investors who buy company shares, it will increase the company's stock price so that it will increase the company's value. From another point of view, in this study, it can also be concluded that investors in investing in the Capital Market generally prefer profitable companies because by choosing a company that is profitable, investors believe that they will benefit from their investment in the form of dividends distributed to shareholders.

Industrial profile variable regression coefficient of 0.051; meaning that if the industry profile has increased by one unit then the company value will also increase by 0.051 one-unit. The coefficient is positive, meaning that there is a positive relationship between the industry profile and the company value, the greater the industry profile value, the higher the company value. The significance value of the industry profile variable in the table above is 0.786 Significance value greater than 0.05 means that the industry profile does not have a significant effect on firm value. The results of this study explain that the type of industry is not able to play a large role in providing a better signal for stakeholders in increasing the company value.

This study was conducted on companies that are consistently included in the Index on the Indonesia Stock Exchange supported by previous researches, among others: Desfiandi (2017) [18] and Riyanto (2017) [19].

5. Conclusion

Based on the results of data analysis and discussion, it was concluded that the Sustainable supply chain Report disclosure and profitability had an effect on company value, and the industry profile did not affect the company value. This research can be an input for companies, especially those related to the importance of disclosure of sustainable reports that can affect company value. In addition, it is expected that this research can be a consideration for policymakers related to policies regarding the preparation of the Sustainable supply chain Report.

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