

## TABLE OF CONTENTS

|  |      |
|--|------|
| THESIS APPROVAL .....  | ii   |
| BOARD OF EXAMINERS APPROVAL SHEET .....  | iii  |
| THESIS ORIGINALITY STATEMENT .....   | iv   |
| ABSTRACT.....  | v    |
| ABSTRAK .....  | vi   |
| FOREWORD .....   | vii  |
| TABLE OF CONTENTS .....  | viii |
| LIST OF TABLE .....  | x    |
| LIST OF FIGURES .....  | xi   |
| LIST OF ATTACHMENT.....  | xii  |
| CHAPTER I INTRODUCTION .....   | 1    |
| 1.1    Backgrounds.....  | 1    |
| 1.2    Problems Formulation.....   | 10   |
| 1.3    Research Objectives and Benefits .....  | 11   |
| 1.3.1    Research Objectives .....   | 11   |
| 1.3.2    Theoretical Benefit .....   | 11   |
| 1.3.3    Practical Benefit .....   | 12   |
| 1.4    Thesis Outline .....  | 12   |
| CHAPTER II LITERATURE REVIEW .....   | 14   |
| 2.1    Agency Theory.....  | 14   |
| 2.2    Environmental, Social and Governance Practice .....   | 16   |
| 2.3    Financial Statement Fraud.....  | 18   |
| 2.4    Financial Distress .....  | 20   |
| 2.5    Previous Studies .....  | 22   |
| 2.6    Conceptual Framework and Hypothesis Foundation .....  | 39   |
| 2.6.1    The Effect of ESG Practices on Financial Statement Fraud .....  | 40   |
| 2.6.2    The Effect of ESG Practices on Financial Distress.....  | 42   |
| 2.6.3    The Effect of Financial Distress towards Financial Statement Fraud.....   | 43   |
| 2.6.4    The Mediating Effect of Financial Distress towards ESG Practices<br>and Financial Statement Fraud Relationship..... | 45   |
| CHAPTER III METHODOLOGY .....  | 46   |
| 3.1    Variables and Operational Definitions.....  | 46   |

|  |                                      |    |
|--|--------------------------------------|----|
| 3.2                                    | Population and Sample.....           | 52 |
| 3.3                                    | Data Sources.....                    | 53 |
| 3.4                                    | Data Collection Methods.....         | 53 |
| 3.5                                    | Analytical Methods .....             | 54 |
| CHAPTER IV RESULT AND DISCUSSION ..... |                                      | 59 |
| 4.5                                    | Discussion .....                     | 67 |
| CHAPTER V CONCLUSION .....             |                                      | 73 |
| 5.1                                    | Conclusion .....                     | 73 |
| 5.2                                    | Implication .....                    | 74 |
| 5.3                                    | Limitation.....                      | 75 |
| 5.4                                    | Suggestion for Future Research ..... | 76 |
| REFERENCE.....                         |                                      | 77 |
| APPENDIX .....                         |                                      | 85 |