Meditari
Accountancy
Research

Strategic legitimacy construction through SDG reporting: a critical analysis of a primary industry producer

Irshad Ali and Sabrina Chong
Department of Accounting, Auckland University of Technology, Auckland, New Zealand, and

Sumit Lodhia
School of Accounting and Finance, Adelaide University, Adelaide, Australia

Received 20 February 2026
Revised 29 July 2026
Accepted 27 October 2026

Abstract

Purpose – This paper aims to explore reporting on Sustainable Development Goals (SDGs) by a large primary industry producer to seek deeper insights into the strategic significance of the disclosed information.

Design/methodology/approach – Data for this study was collected from the reports of Fonterra Cooperative Group (FCG). Content and thematic analysis methods were used for the examination of the data. The findings were interpreted using strategic legitimacy theory.

Findings – The findings show that FCG has notably increased its reporting on prioritised SDGs, especially SDG 13 (Climate Action) and SDG 2 (Zero Hunger), as part of a strategic effort to boost legitimacy and meet stakeholder expectations. While its hunger and nutrition reporting highlights product benefits, it can be viewed as more promotional than altruistic. In the absence of standardised SDG guidelines, FCG's approach mirrors a broader industry trend of leveraging sustainability narratives to maintain credibility and justify its role in contributing towards food security despite the dairy industry causing significant environmental damage.

Research limitations/implications – The findings from this study add to the literature on SDG reporting by providing empirical evidence of the pivotal facets of SDG reporting practices of a company from the primary industry sector, an under-researched area.

Practical implications – This study identifies how SDG reporting could be strategically used by companies from "dirty" industries to gain and maintain legitimacy and alludes to the absence of standardised SDG reporting guidelines and assurance.

Originality/value – This study extends beyond the mere extent of disclosure, recognising that an exhaustive presentation of SDGs does not inherently signify substantive contribution to sustainable development.

Keywords Sustainability reporting, SDGs, Primary industry, Strategic legitimacy, Food security, Climate change

Paper type Research paper

1. Introduction

Sustainable development has emerged in recent years as a pivotal issue in the debate surrounding societal progress and economic prosperity. Central to the tenets of sustainable

© Irshad Ali, Sabrina Chong and Sumit Lodhia. Published by Emerald Publishing Limited. This article is published under the Creative Commons Attribution (CC BY 4.0) licence. Anyone may reproduce, distribute, translate and create derivative works of this article (for both commercial and non-commercial purposes), subject to full attribution to the original publication and authors. The full terms of this licence may be seen at http://creativecommons.org/licences/by/4.0/

Meditari Accountancy Research
Emerald Publishing Limited
2049-372X
DOI 10.1108/MEDAR-02-2026-3728

Downloaded from www.emerald.com/medar/article-pdf/doi/10.1108/MEDAR-02-2026-3728/11981951/medar-02-2026-3728en.pdf by Auckland University of Technology user on 25 Nove

development is the assertion that economic progress must harmoniously coexist with improvements in social and environmental predicaments (Stern, 2009). This requires corporations, in their relentless pursuit of economic prosperity, to assume a pivotal role in helping address sustainability issues faced globally (Bebbington and Unerman, 2018). The prominence of this paradigm shift is evident in the evolution of corporate reporting practices with increasing amount of sustainability information disclosure in corporate reports (Ali *et al.*, 2021). However, despite these worthy endeavours, it has been argued that critical sustainability concerns remain insufficiently addressed (Gore, 2016). Research evidence suggests an inclination among companies to prioritise economic facets and provide sustainability disclosures primarily to enhance legitimacy (Milne and Gray, 2012; Cho *et al.*, 2015).

While sustainability disclosures play a vital role in shaping corporate accountability and transparency, evaluating the authenticity of these efforts is essential. Authentic disclosure of sustainability information requires in-depth reporting that addresses social and environmental issues in a balanced way, provides indicators and targets and highlights both progress and challenges relating to the issues disclosed. This underscores the need for continued scholarly scrutiny of corporate practices to ensure that companies move beyond token gestures and embrace substantive, meaningful changes in their operations (Sachs, 2015). Only through genuine commitment and transparent actions can corporations truly address the pressing sustainability concerns faced globally (Gore, 2016). The United Nations (UN) suggested that progress towards addressing sustainability issues the world faces requires cooperation from all sectors of society and has developed 17 Sustainable Development Goals (SDGs) (United Nations, 2015). These SDGs cover critical sustainability issues the world faces ranging from poverty alleviation to climate change mitigation (Lodhia *et al.*, 2022). The SDGs provide corporations with an unprecedented opportunity to contribute substantively to the global sustainability agenda (Bebbington and Unerman, 2020).

Considering the growing importance of sustainability issues the world faces, there exists a pressing need for comprehensive studies into how corporations are responding to the SDGs (Bebbington and Unerman, 2018; Adams *et al.*, 2020). Such investigations have the potential to inform best practices and serve as a timely intervention, given the urgency associated with pursuing these global goals. Companies can demonstrate their commitment to addressing the SDGs through their reporting but as has been identified in prior literature, there exists the possibility that reporting on SDGs could be symbolic (García-Meca and Martínez-Ferrero, 2021; Silva, 2021). Hence, there is a need for studies that delve deeper into SDG reporting over a longer period to capture the depth of corporate responses. The aim of this study is to probe into SDG reporting of a large primary industry company to gain a comprehensive understanding of their commitment to the SDGs through an in-depth analysis of their reporting over a longitudinal period.

A case study approach is used for the purposes of our study, with Fonterra Cooperative Group (FCG) being the chosen company. There are distinct reasons for choosing FCG. FCG is a dairy giant responsible for approximately 30% of the world's dairy exports and employs almost 18,000 people around the world (Fonterra, 2025). It makes up a very significant part of the New Zealand farming industry with milk supplied to it by over 11,000 dairy farmers using approximately 1.7 million hectares of land supporting around 5 million dairy cows. FCG is an icon of the clean green image of New Zealand but given its size and industry sector, it has huge environmental impacts. Almost half of New Zealand's greenhouse gas emissions come from agriculture with methane and nitrous oxide being the two main agricultural greenhouse gases (NIWA, 2025). In addition to greenhouse gas, dairy farming

Downloaded from www.emerald.com/medar/article-pdf/doi/10.1108/MEDAR-02-2026-3728/11981951/medar-02-2026-3728en.pdf by Auckland University of Technology user on 25 Nove

has other environmental impacts such as pollution of waterways from heavy reliance on synthetic nitrogen fertiliser and the disposal of large volumes of effluent. This pollution can lead to issues like increased nitrogen levels, harmful algal blooms and the depletion of oxygen in water bodies, impacting aquatic life and potentially affecting drinking water sources. Greenpeace claims that the "dirty" dairy industry is polluting rivers and contaminating drinking water and responsible for a huge amount of New Zealand's climate pollution (Larson, 2025). Given the background of FCG and the dairy industry, we believe it is an idealistic case company for the purposes of our research.

This study provides valuable insights into FCGs commitment to the SDGs and its broader dedication to sustainability within the dairy industry. The study delves into the depth and quality of the information provided, illuminating FCG's willingness to be accountable for its actions and contributions to the SDGs. The study seeks to discern the genuineness of the company's commitment to sustainable practices and transparency in communicating these efforts. We believe that our findings contribute to theory, literature, practice and policy. Our theoretical contribution involves extending the application of strategic legitimacy theory to SDG disclosure through the focus on an environmentally sensitive company. In relation to literature, our study provides empirical evidence of the pivotal facets of FCGs sustainability and SDG reporting practices contributing to academic literature in this area. By analysing the scope and quality of FCGs SDG disclosures, this study aims to evaluate the company's commitment to transparency and sustainability over a longitudinal period, thereby adding to the existing literature that has highlighted the symbolic nature of SDGs disclosure. In terms of practice, the focus of our study extends beyond the mere extent of disclosure, recognising that an exhaustive presentation of SDGs does not inherently signify commitment. This has implications for policy, suggesting a need for clear guidelines on SDGs disclosures that establish minimum levels of disclosure.

The rest of our paper is structured as follows: Section 2 provides a review of literature on SDG reporting; Section 3 outlines the theoretical framework used to interpret the findings of this study; Section 4 describes the research method used in the study; Section 5 provides the findings of the study; Section 6 contributes a discussion of the findings; and Section 7 provides the conclusion, limitations of the study, as well as suggestions for future research.

2. Literature review

Societies worldwide confront a growing set of interconnected challenges, including ecological degradation, climate change and social inequalities (Lodhia *et al.*, 2022). Intensifying climate impacts such as rising temperatures and sea levels threaten vulnerable communities (Mendham *et al.*, 2017), while unsustainable consumption and production patterns undermine long-term economic stability (Büyüközkan *et al.*, 2018). These pressures have broadened the concept of sustainable development into a holistic and inclusive framework that integrates environmental protection with social well-being and poverty reduction (Haliscelik and Soytas, 2019), underscoring the need for coordinated, systemic solutions (Pedersen, 2018). In response, the United Nations adopted Agenda 2030, a 15-year global plan aimed at advancing sustainable economic growth, social development and environmental stewardship (United Nations, 2015). Central to this agenda are the 17 SDGs, which span five critical dimensions – people, planet, prosperity, peace and partnership (Siegel and Bastos-Lima, 2020).

Although many countries have integrated the SDGs into their national development plans and policies, their successful realisation depends in part on businesses, particularly large companies, assuming a pivotal role because of their significant influence on society (Wagner *et al.*, 2023; Weber, 2019). This requires companies to embrace their societal responsibilities

Downloaded from www.emerald.com/medar/article-pdf/doi/10.1108/MEDAR-02-2026-3728/11981951/medar-02-2026-3728en.pdf by Auckland University of Technology user on 25 Nove

and contribute to substantive transformative change, rather than adopting a narrow, short-sighted perspective that views the SDGs primarily as commercial opportunities (Khalique *et al.*, 2021). In this context, accounting scholars have been urged to examine more closely how organisations operationalise and respond to the SDGs, given the profession's potential to shape measurement, accountability and reporting practices that support sustainable development (Bebbington and Unerman, 2018). Corporate SDG reporting has emerged as the principal mechanism through which firms articulate their contributions to the goals, providing a platform for demonstrating transparency, accountability and alignment with societal expectations (Bebbington and Unerman, 2020; Adams *et al.*, 2020). Empirical evidence suggests that a large proportion of entities provide SDG disclosures in their reports (KPMG, 2022). However, the voluntary nature of corporate disclosure on sustainable development creates the risk of companies engaging in SDG-related rhetoric (Macellari *et al.*, 2021).

The literature consistently characterises SDG practice as nascent, fragmented and often symbolic, driven more by visibility than by robust measurement or target-level accountability (van der Waal and Thijssens, 2020; Silva, 2021). Although an increasing number of companies mention or map activities to SDGs, the disclosures frequently lack balance, quantification and linkage to SDG targets and indicators (Hummel and Szekely, 2022). Despite these reporting deficiencies, evidence suggests that SDG reporting can enhance the performance of firms in environmentally sensitive industries (García-Meca and Martínez-Ferrero, 2021). Hence, many firms foreground positive contributions and under-report trade-offs or negative impacts (Erin and Bamigboye, 2022). Studies frequently document "cherry-picking", SDG-washing and limited articulation of material SDG selection or performance baselines, making it difficult to assess substantive progress (Costa *et al.*, 2022; Heras-Saizarbitoria *et al.*, 2021). It has been suggested that SDG disclosures provide a symbolic legitimation impact (García-Meca and Martínez-Ferrero, 2021) and that companies' involvement in SDG reporting may be more symbolic than substantive for legitimacy purposes (Lodhia *et al.*, 2022).

Firm size, board diversity, sustainability committees, prior commitment to reporting frameworks (e.g. global reporting initiative [GRI]) and external assurance are core determinants of SDG disclosure quality (Rosati and Faria, 2019a). The importance of firm size stems from the resource-intensive nature of effective SDG reporting, as greater organisational resources can support more comprehensive disclosures (Mendham *et al.*, 2017). However, SDG reporting practices are shaped not only by internal organisational characteristics but also by external influences, including institutional investors, national institutional environments (such as cultural dimensions) and regulatory developments in the EU (Pizzi *et al.*, 2022). Where scoring schemes are used (e.g. SDG reporting scores or GRI-aligned indices), findings still point to wide heterogeneity in depth and quality across sectors (Zampone *et al.*, 2022). Currently there exists a lack of transparency in corporate disclosures regarding their SDG engagement, particularly disclosures on SDG prioritisation and how material sustainability issues influence corporate contributions to the SDGs (Awuah *et al.*, 2024).

The SDGs are inherently interconnected, comprising 17 goals and 169 specific targets, which makes reporting conceptually and operationally challenging (Martens and Bui, 2023). Agenda 2030 emphasises the need for coherent, transparent and participatory mechanisms for tracking progress (Biermann *et al.*, 2017), yet the absence of standardised reporting frameworks and consistent guidelines has resulted in fragmented disclosure practices (Bebbington *et al.*, 2017; Vargas *et al.*, 2020). Weak target-level measurement, limited use of external assurance and the tendency for firms to concentrate on a narrow set of high-profile

Downloaded from www.emerald.com/medar/article-pdf/doi/10.1108/MEDAR-02-2026-3728/11981951/medar-02-2026-3728en.pdf by Auckland University of Technology user on 25 Nove

goals, often framed in optimistic or promotional language, further constrain the usefulness and credibility of SDG reporting (Awuah *et al.*, 2025). As a result, while SDG reporting has become widespread, significant challenges remain in ensuring that disclosures are comparable, meaningful and capable of supporting evidence-based decision-making (Chong *et al.*, 2025; Cho *et al.*, 2015).

Despite the growing body of research on SDG reporting, important theoretical, contextual and methodological gaps remain. Most empirical work examines "general" SDG reporting (multiple goals simultaneously) rather than undertaking targeted, goal-specific analyses (Awuah *et al.*, 2024). While this generalist orientation offers breadth, it provides limited insight into how firms prioritise and engage with material SDGs. A further gap in the literature is the limited research examining specific organisational contexts over extended periods, which could provide richer insights into SDG reporting practices and extend the broader generalist literature. In addition, much of the existing research is situated in Europe, where a relatively strong regulatory environment, including Directive 2014/95/EU, requires public interest entities to disclose non-financial information (Erin *et al.*, 2025). As a result, the overwhelming focus on publicly listed European firms limits both the theoretical and contextual diversity of the field. Responding to these limitations, scholars have called for research within specific organisations and industries using qualitative and longitudinal approaches that examine the integration of SDGs into organisational strategy (Awuah *et al.*, 2024). Addressing these calls, this study adopts a qualitative longitudinal approach to examine the SDG reporting practices of a large primary industry producer to seek deeper insights into how SDGs are integrated into organisational strategy.

3. Theoretical framework

Given that this study aims to explore SDG reporting by FCG to gain deeper insights into the strategic significance of the disclosed information, strategic legitimacy theory (Suchman, 1995) was adopted as the study's theoretical lens. The theory is particularly relevant because it suggests that organisations strategically use disclosures to acquire, maintain and enhance legitimacy among stakeholders, a process that is reflected in the SDG reporting practices observed in this study.

Organisational legitimacy, which refers to an entity's alignment with the value system of its more extensive social system (Lindblom, 1994), has been condensed by Suchman (1995) broadly into strategic approaches and institutional approaches. Under the strategic approach, legitimacy is construed as an operational resource to be managed through symbols, narratives and selected practices (Kuruppu *et al.*, 2019). It has been argued that the legitimation approach or technique chosen by an organisation depends on "whether the organisation is trying to gain or to extend legitimacy, to maintain its current level of legitimacy or to repair or defend its lost or threatened legitimacy" (O'Donovan, 2002, p. 349). The society in which a business operates grants the business the ability to function and access resources, so establishing legitimacy leads to the perception of being responsible, dependable and trustworthy (Archel *et al.*, 2009). Achieving legitimacy is therefore a crucial strategic resource on which the survival of the business depends (Chelli *et al.*, 2014).

Organisations may face legitimacy crises when their actions are perceived as not aligning with societal expectations (Sachs, 2012). These crises can arise from various events, such as ethical violations, environmental disasters, labour controversies or financial misconduct (Peterson and Mitloehner, 2021). In the case of the dairy industry there are environmental damage controversies (Larson, 2025). Such legitimacy crises can have severe consequences, including reputational damage, loss of stakeholder trust and regulatory scrutiny (Weitz *et al*, 2014). Organisations may then use strategies to repair and build their legitimacy. These

Downloaded from www.emerald.com/medar/article-pdf/doi/10.1108/MEDAR-02-2026-3728/11981951/medar-02-2026-3728en.pdf by Auckland University of Technology user on 25 Nove

strategies include public relations efforts, engaging stakeholders to understand and respond to their concerns, corporate social responsibility initiatives and sustainability reporting (Sachs, 2015). For example, Arora and Lodhia (2017) reported that British Petroleum used social and environmental disclosures on its website extensively to divert attention away from the severe environmental damage caused by the oil spill in the Gulf of Mexico.

Since the adoption of the SDGs by the UN, companies have faced renewed pressure from stakeholders to support and contribute to the 17 goals (Lodhia *et al.*, 2022). Hence, they may engage in symbolic gestures, adopt socially accepted practices or emphasise their contributions to the SDGs to repair or construct legitimacy (Kiwi *et al.*, 2025). This approach treats legitimacy not just as a passive reflection of societal approval but as a strategic asset that can be gained, maintained or repaired depending on the organisation's needs (Ashforth and Gibbs, 1990). Strategic legitimacy theory suggests that organisations operate in dynamic environments and must continuously adapt their legitimacy strategies to maintain stakeholder support and survive external pressures (Suchman, 1995). Unlike institutional legitimacy, strategic legitimacy is deliberately cultivated through actions and communications that align with stakeholder expectations (Chelli *et al.*, 2014). By framing their activities as appropriate and beneficial, organisations aim to influence stakeholders' judgments and secure access to critical resources like funding, support and credibility (O'Donovan, 2002).

The pressure on companies to contribute towards the SDGs comes from various sources including the government, media and other stakeholders (Silva, 2021), so there is growing focus on reporting on the SDGs to gain and maintain legitimacy (García-Meca and Martínez-Ferrero, 2021). There are also expectations from guidance by the global reporting initiative (GRI) on reporting on SDGs (Adams *et al.*, 2020). These pressures and expectations can threaten the legitimacy of an organisation and require a commitment to addressing the SDGs (Bebbington and Unerman, 2020). Thus, as corporations assess their contributions towards Agenda 2030, there is a transformational shift from short-term sustainability tactics to long-term strategies (Elalfy *et al.*, 2021). Strategic legitimacy theory explains this as deliberate, purposive behaviour in which managers curate sustainability claims to appeal to salient audiences whose approval underpins continued operations (Suchman, 1995).

Strategic legitimacy theory offers a robust theoretical underpinning for understanding how organisations in environmentally sensitive primary industries use SDG reporting to gain, maintain and repair legitimacy. Organisations act as purposeful agents that selectively craft narratives, disclosures and symbolic actions to influence how stakeholders evaluate their operations (Suchman, 1995). In industries such as dairy production, where firms may contribute to goals related to food security while simultaneously generating methane emissions and water pollution, legitimacy is often contested. Companies may therefore highlight SDGs that align with their products and commercial logic, while downplaying those that expose harmful impacts. As Kuruppu *et al.* (2019) contended, such selective reporting is a form of strategic legitimacy management, enabling firms to respond to stakeholder scrutiny associated with environmental risks. By emphasising specific SDGs and favourable indicators, organisations construct a legitimacy-enhancing image that positions them more favourably within their institutional environment, consistent with the symbolic tactics described by Ashforth and Gibbs (1990).

4. Research method

A qualitative case study approach was adopted, with a focus on FCG, a New Zealand dairy giant. Given the study's aim of generating deeper insights into SDG reporting practices, a

Downloaded from www.emerald.com/medar/article-pdf/doi/10.1108/MEDAR-02-2026-3728/11981951/medar-02-2026-3728en.pdf by Auckland University of Technology user on 25 Nove

case study approach was appropriate because it enables an in-depth investigation of a real-life phenomenon within its organisational context (Yin, 2013). Data collected from the case company was analysed using a form of content analysis. Content analysis is an appropriate method to investigate SDG disclosures of FCG as it is commonly used for analysing non-financial disclosures (Unerman and Bennett, 2004). According to Krippendorff (2013), content analysis provides a systematic method for analysing the content of the disclosures. Thematic analysis was conducted to further analyse the qualitative data collected. Braun and Clarke (2006), recommended the use of thematic analysis for identifying, analysing and reporting patterns or themes within qualitative data.

4.1 Data collection

As the focus of our study was on SDG-specific reporting, only distinct and direct references to SDGs were considered, consistent with the study of Lodhia *et al.* (2022). This enabled us to delineate between generic sustainability disclosures and those that specifically addressed the SDGs. Our search of FCG's website and reports showed that they provided SDG-specific disclosures only in their sustainability reports, so data for the study was collected from the sustainability reports of FCG. Although FCG has been providing sustainability information in their reports for more than a decade (Ali *et al.*, 2021), they have been producing sustainability reports since 2017.

The sustainability reports of FCG from 2017 to 2023 were downloaded and systematically searched for references to "*sustainable development goals*" and "*SDGs*". This process identified 2017 as the first year in which the company reported on the SDGs. All SDG-specific disclosures identified in the sustainability reports were extracted and compiled into a separate Microsoft Word document for subsequent analysis, the details of which are presented in the section below.

4.2 Data analysis

A form of content analysis commonly used in sustainability reporting research involves measuring the extent of disclosure through word counts (Silva, 2021). Accordingly, the first phase of our analysis sought to quantify the extent of FCG's SDG disclosures and examine trends over time. We counted the number of words disclosed for each of the 10 SDGs prioritised by FCG in its sustainability reporting over the period 2017–2023. The results were recorded in an Excel spreadsheet and are summarised in Table 1 of the findings section. In addition to identifying overall disclosure trends, this analysis facilitated a more detailed examination of each individual SDG, thereby enabling us to assess whether particular goals appeared to receive greater emphasis and prioritisation by FCG for strategic reasons.

In the second phase of the study, we employed thematic analysis to identify recurring patterns within FCG's SDG disclosures. This method was particularly well suited to our predominantly inductive research design because thematic analysis enables rich, data-driven insight generation without reliance on pre-determined frameworks (Braun and Clarke, 2006). To support a systematic and transparent analytical process, the data set was imported into NVivo, which facilitated iterative coding, categorisation and theme development. The analysis was guided by a subjective idealist epistemology, which assumes that meaning is constructed through the researcher's interpretive engagement with the text rather than objectively discovered. Within this epistemological perspective, knowledge emerges through repeated engagement with the data across both the coding and synthesis stages (Elliot-Mainwaring, 2021). This philosophical stance and methodological approach enabled a detailed examination of how FCG framed, prioritised and strategically constructed its SDG-related narratives.

Downloaded from www.emerald.com/medar/article-pdf/doi/10.1108/MEDAR-02-2026-3728/11981951/medar-02-2026-3728en.pdf by Auckland University of Technology user on 25 Nove

Table 1. Disclosure on the 10 SDGs prioritised by FCG

	Extent of SDG reporting by FCG							
Year	2017	2018	2019	2020	2021	2022	2023	Total
SDGs	No. of words	No. of words	No. of words	No. of words	No. of words	No. of words	No. of words	No. of words
SDG 1: No Poverty	9	347	650	1,722	852	648	1,011	5,239
SDG 2: Zero Hunger	48	1,621	1,827	2,835	3,678	4,060	2,695	16,764
SDG 3: Good Health and Well-being	31	1,784	2,874	1,274	1,532	3,688	3,192	14,375
SDG 5: Gender Equality	20	1,242	1,091	1,232	2,648	1,328	3,069	10,630
SDG 6: Clean Water and Sanitation	26	1,621	1,654	2,257	2,631	2,727	1,821	12,737
SDG 8: Decent Work and Economic Growth	28	1,078	934	1,270	1,450	1,786	2,855	9,401
SDG 12: Responsible Consumption and Production	25	1,054	1,674	2,644	2,449	2,141	1,999	11,986
SDG 13: Climate Action	15	2,279	1,932	2,648	3,757	4,773	5,319	20,723
SDG 14: Life Below Water	10	339	471	788	600	722	2,529	5,459
SDG 15: Life on Land	10	408	302	1,072	1,260	1,429	1,928	6,409
Total	222	11,773	13,409	17,742	20,857	23,302	26,418	113,723

Downloaded from www.emerald.com/medar/article-pdf/doi/10.1108/MEDAR-02-2026-3728/11981951/medar-02-2026-3728en.pdf by Auckland University of Technology user on 25 Nove

The coding process involved a meticulous line-by-line review of the disclosures, during which initial codes were generated to capture salient ideas and emerging patterns. As analysis progressed, these codes were continually refined, merged and organised into broader thematic clusters through constant comparison and reflective interpretation. Following the completion of the initial coding process, NVivo's query and visualisation functions were used to examine the frequency and distribution of codes across the data set. This process assisted in identifying the most prominent and analytically significant themes (Mortelmans, 2025). While numerous themes emerged from the data, the final analysis focused on those themes that appeared most frequently and were most relevant to the study's objectives.

To assess whether the company's disclosures reflected substantive engagement with the SDGs or more symbolic forms of commitment, a third stage of analysis involved systematically mapping FCG's reported SDG-related activities against the official UN SDG targets and indicators. Following established approaches that use the SDG framework as an evaluative benchmark for corporate sustainability reporting (Bebbington and Unerman, 2018; van Zanten and van Tulder, 2018), all sustainability reports published during the study period were reviewed in their entirety. Disclosures relating to specific SDGs, sustainability initiatives, products, policies, performance outcomes and stakeholder impacts were extracted and incorporated into the coding process. Each disclosure was then compared against the relevant UN SDG targets and indicators to assess whether the reported activity demonstrated a measurable contribution to the intended sustainability outcome or merely represented routine business activities framed within SDG terminology. This approach enabled us to move beyond simple counts of SDG references and evaluate the extent to which corporate disclosures aligned with the substantive requirements embedded within the global SDG framework.

The mapping process also formed a critical component of our assessment of strategic legitimacy and impression management. Consistent with prior research identifying the SDGs as potential vehicles for legitimacy seeking and impression management (Heras-Saizarbitoria *et al.*, 2021; Rosati and Faria, 2019b), SDG-related claims were systematically cross-checked against other information disclosed within the same reports. For example, statements relating to affordable nutrition, employee well-being and responsible consumption were compared with disclosures concerning pricing strategies, market positioning, product portfolios and human resource practices. This comparative analysis enabled the identification of situations in which conventional commercial activities were presented as SDG contributions despite limited evidence of progress against the relevant UN indicators. By contrasting corporate rhetoric with internationally recognised sustainability benchmarks and internally reported operational practices, the analysis was specifically designed to identify patterns of selective disclosure, cherry-picking, SDG-washing and symbolic engagement. This provided the evidential basis for our interpretation of SDG reporting as a strategic legitimacy exercise rather than a comprehensive mechanism of sustainability performance accountability.

In line with the study's strategic legitimacy perspective, the mapping exercise extended beyond identifying alignment with UN indicators to evaluating the credibility of SDG disclosures. Specifically, disclosures were assessed against three dimensions commonly associated with substantive sustainability reporting:

(1) the presence of explicit, evidence-based SDG prioritisation;

(2) the disclosure of indicator-level targets, baseline performance measures, trade-offs and external assurance; and

(3) balanced reporting that acknowledged both achievements and challenges, including the relationship between climate change mitigation efforts and issues of nutrition access and affordability.

Downloaded from www.emerald.com/medar/article-pdf/doi/10.1108/MEDAR-02-2026-3728/11981951/medar-02-2026-3728en.pdf by Auckland University of Technology user on 25 Nove

Examining disclosures through these criteria enabled us to identify whether SDG narratives were supported by transparent performance accountability or primarily functioned as reputation-enhancing communication. This assessment formed an important basis for identifying patterns of selective disclosure, symbolic engagement and SDG-washing.

To enhance the reliability and validity of the analysis, established procedures for inter-reviewer consistency were followed throughout the coding process. One researcher initially reviewed and coded 20% of the SDG disclosure data set using the predefined coding criteria. Two additional researchers subsequently cross-checked this sample for accuracy and consistency, with any discrepancies discussed and resolved in accordance with recommended procedures for inter-reviewer reliability (Bell, 2001). Once agreement was reached, the first researcher proceeded to code the remaining 80% of the data set. Finally, all three researchers independently reviewed the complete data set to confirm the consistency of coding decisions and strengthen the overall trustworthiness and credibility of the findings.

5. Findings

Our analysis begins by quantifying and mapping SDG-related disclosures to assess their extent and emphasis across the reporting period, followed by a thematic analysis of the reported information. At the outset, it is important to note that our critical analysis and interpretation are based solely on the content disclosed in FCG's reports, consistent with the approach adopted in prior disclosure studies. However, we acknowledge that we did not engage directly with FCG to obtain its perspectives on the reports, nor did we seek the views of its stakeholders. Consequently, we do not discount alternative explanations for the reporting practices observed, such as resource constraints, a stronger emphasis on profitability or reluctance to justify disclosure decisions due to the absence of specific SDG reporting guidelines. In the absence of such engagement, strategic legitimacy theory provides a useful lens through which to develop plausible explanations for FCG's SDG disclosures. Accordingly, our analysis focuses not only on what is disclosed but also on what might reasonably be expected to be disclosed but is absent, thereby providing a more in-depth assessment of FCG's SDG reporting practices.

5.1 Extent of SDG disclosure

Table 1 provides a comprehensive overview of the extent of disclosure for each of the ten SDGs prioritised by FCG. The total word counts serve as quantitative metrics that offer valuable insights into the trends in FCG's SDG reporting practices over a period. An examination of the overall trend across all ten SDGs reveals an upward trajectory in total word counts, indicative of a significant increase in the extent of information provided by FCG on the SDGs. In 2017, the total number of words of disclosure was 222, but by 2023 it had surged to 26,418 words. This substantial increase suggests a heightened emphasis on SDG reporting, likely influenced by growing awareness and a pronounced focus on achieving the SDGs.

A preliminary reference to the SDGs appeared in FCG's 2017 sustainability report; however, the discussion at this stage was largely superficial. In that report, FCG stated its general support for the SDGs and identified ten goals, i.e. SDGs 1, 2, 3, 5, 6, 8, 12, 13, 14 and 15, as areas in which the company believed it could make the most "material contribution" (FCG's 2017 Sustainability Report, p. 11). Neither did FCG provided any justification for the selection of these particular goals, nor did it articulate the criteria or assessment processes used to determine their relevance to the company's activities. Instead, the report primarily relied on the visual display of the selected SDG icons as representations of its "long-term contributions", accompanied by a list of corresponding indicators the company claimed to

Downloaded from www.emerald.com/medar/article-pdf/doi/10.1108/MEDAR-02-2026-3728/11981951/medar-02-2026-3728en.pdf by Auckland University of Technology user on 25 Nove

address. This approach suggests an early, predominantly symbolic engagement with the SDG framework. A review of FCG's subsequent sustainability reports from 2018 to 2023 indicates that this pattern persisted. Throughout these reports, the company consistently refrained from articulating the rationale for its continued focus on the same ten SDGs, thereby maintaining an opaque approach to SDG selection that limits stakeholders' ability to assess the coherence, materiality or strategic intent underlying its disclosures.

A closer examination of the disclosure for each of the ten SDGs reveals that the extent of disclosure is much higher for some SDGs. For example, SDG 13 (Climate Action) emerged as a significant standout, with the highest number of words of disclosure over the period. Given the negative publicity FCG has drawn on the environmental impact of the "dirty" dairy industry, it recognises the importance of providing detailed disclosures to convey its commitment and actions on climate change. The urgency associated with climate action has become increasingly noticeable, driven by factors such as the intensification of extreme weather events, the global momentum behind climate change mitigation and evolving regulatory landscapes. This surge in the extent of disclosure on climate change is likely to be strategic to demonstrate to stakeholders FCG's deep commitment towards climate-related matters. FCG appears to be responding to negative environmental concerns by amplifying its performance and contributions to climate action and deflecting concerns about environmental pollution by disclosing its climate change mitigation activities.

The second highest volume of SDG-related disclosure by FCG is on SDG 2 (Zero Hunger). An examination of disclosure patterns over the review period indicates a substantial emphasis on SDG 2, particularly around narratives promoting the provision of "safe, affordable nutrition" and efforts to address malnutrition through "products tailored to specific health needs" (Fonterra Cooperative Group, 2023). What is missing, however, are disclosures detailing concrete efforts to advance "ending hunger", including initiatives that would make dairy products freely available or more affordable for populations experiencing food insecurity. Instead, much of FCG's disclosure appears to be predominantly strategic, with a promotional orientation centred on the nutritional attributes of its commercial product portfolio rather than on any meaningful contribution to alleviating hunger. Such a disparity between disclosed claims and evidence of substantive action raises concerns about the authenticity of FCG's purported alignment with SDG 2. The surge in the volume of disclosure on SDG 2 disclosure may therefore be interpreted as indicative of a superficial or selective engagement with the broader intentions of the SDG framework. By emphasising its role in supporting global nutrition and food security, FCG appears to strategically be highlighting its socially legitimising narrative that shifts attention away from the significant environmental externalities associated with its operations. Such disclosure practices suggest that the company may be leveraging SDG 2 as a reputational tool, potentially to mitigate scrutiny of its environmental impacts, while simultaneously reinforcing commercial objectives.

As shown in Table 1, SDG 1 (No Poverty) receives the lowest volume of disclosure, indicating that it holds minimal strategic priority within FCG's sustainability agenda. The limited discussion that does appear is largely inward-looking, centred on themes such as "delivering sustainable returns to farmers" and "supporting the livelihood of employees", rather than addressing poverty within the wider communities affected by dairy operations. Notably absent is any meaningful commentary on initiatives aimed at supporting vulnerable populations in dairy-producing regions – communities that frequently bear the social and environmental pressures associated with intensive agricultural production. National statistics show that 208,000 children in New Zealand (17.7%) live in poverty after housing costs, many in rural or semi-rural areas with constrained employment opportunities and limited

Downloaded from www.emerald.com/medar/article-pdf/doi/10.1108/MEDAR-02-2026-3728/11981951/medar-02-2026-3728en.pdf by Auckland University of Technology user on 25 Nove

access to essential services. Given FCG's scale, profitability and central role in these regions, the company has considerable capacity to contribute to poverty alleviation through targeted employment pathways, youth training programmes or support for families experiencing economic hardship. Yet such initiatives receive little attention in the disclosures, suggesting that efforts offering limited commercial benefit are deprioritised. As a result, SDG 1 appears to function more as a peripheral commitment than a domain of genuine social responsibility.

5.2 Themes of SDG disclosure

Table 2 shows the common disclosure themes associated with each of the ten SDGs in FCG's 2023 Sustainability Report. For SDG 2 (Zero Hunger) and SDG 3 (Good Health and Well-being), the report presents a polished narrative emphasising internal system improvements, particularly in food safety and quality (FSQ), and the development of nutrition-oriented product lines. However, these disclosures show limited substantive alignment with the corresponding UN indicators. Reporting under SDG 2 focuses almost entirely on FSQ culture surveys, digital integration of food-safety processes and global assurance audits, none of which address indicators concerning access to adequate food (2.1), malnutrition reduction (2.2) or sustainable and resilient agricultural practices (2.4). Instead, the language of SDG 2 appears strategically mobilised to legitimise internal compliance activities rather than to account for meaningful contributions towards alleviating hunger, food insecurity, affordability constraints or support for vulnerable communities. Below is an example of disclosure that amplifies these concerns:

> Building FSQ as a core part of our culture continues to be a focus. Global regulatory and customer requirements increasingly place importance on FSQ standards and culture […] This year, we have put more attention on measuring our FSQ culture. Having seen positive results from the first business units using our new FSQ culture survey tool, we are now extending coverage to more of our global business units and will continue with the roll out into next year. (Fonterra 2023 Sustainability Report, p. 25)

FCG's reporting on SDG 3 highlights employee mental-health initiatives and workplace-safety programmes, which credibly support indicator 3.4 on mental health. However, the disclosure also places considerable emphasis on commercial nutrition products such as Anlene Total 10, Anlene Gold 50+ and Anmum Materna Lite. The report presents these products as contributions to health and well-being yet provides no evidence of impact on maternal mortality (3.1), child mortality (3.2) or reductions in illness from hazardous substances (3.9). This shift towards product promotion creates an impression of opportunistic SDG use. The SDGs appear to function less as frameworks for addressing population-level health inequities and more as vehicles for reinforcing brand narratives and internal quality systems. The following excerpt from the report illustrates these concerns:

> Following our FY22 launch of Anlene™ Gold Plus in China to help support the digestion and immunity of the older population, in January 2023 we launched Anlene GoldTM Milk Powder for 50+. This product supports bone health through the high-quality protein it contains, and its bundle of vitamins and minerals including vitamin A, vitamin D, vitamin C, vitamins B2 and B12, calcium, magnesium, and zinc. It is targeted to adults over the age of 50. (Fonterra 2023 Sustainability Report, p. 22)

FCG's SDG 12 (Responsible Consumption and Production) reporting outlines substantial operational initiatives, which include recyclable packaging, material-efficiency gains and reductions in solid waste to landfill. However, it offers limited evidence of progress against the core UN indicators. While the company reports a 13% year-on-year reduction in solid waste and a 45% reduction since 2019, these actions do not address indicator 12.3, which

Downloaded from www.emerald.com/medar/article-pdf/doi/10.1108/MEDAR-02-2026-3728/11981951/medar-02-2026-3728en.pdf by Auckland University of Technology user on 25 Nove

Downloaded from www.emerald.com/medar/article-pdf/doi/10.1108/MEDAR-02-2026-3728/11981951/medar-02-2026-3728en.pdf by Auckland University of Technology user on 25 Nove

Table 2. Common reporting themes and summary of disclosures for the ten SDGs

UN SDGs (SDG indicators)	Reporting themes	Summary of disclosures in FCG's 2023 Sustainability Report
SDG 1: No Poverty (1.2)	• Sustainable livelihoods and income security • Responsible and ethical supply chain management	Disclosure highlights actions that contribute to economic inclusion, skills development, fair pay and removal of structural barriers for under-represented groups
SDG 2: Zero Hunger (2.1, 2.2, 2,4)	• Food safety and product quality • Biodiversity protection and ecosystem stewardship • Enhancing nutrition and public health	Disclosure for SDG 2 centres heavily on food safety, quality assurance, digital systems and supply chain controls, with all initiatives aimed at supporting the delivery of safe nutrition
SDG 3: Good Health and Well-being (3.1, 3.2, 3.4, 3.9)	• Advancing health and nutrition for communities • Ensuring workplace health, safety and well-being	Disclosure highlights three core areas: nutrition and product development, including reformulation to meet guidelines and expanded offerings for ageing and maternal health; employee and community well-being, centred on strong mental-health support and digital well-being tools; and safe and efficient workplaces
SDG 5: Gender Equality (5.5)	• Responsible and ethical supply chain stewardship • Protecting and empowering the workforce	Disclosure focuses entirely on farmer engagement, sustainable farming practices, audit systems and on-farm performance frameworks
SDG 6: Clean Water and Sanitation (6.3, 6.4, 6.6)	• Responsible water stewardship • Biodiversity protection and ecosystem health	Disclosures focus on water stewardship, water-use efficiency, wastewater treatment improvements, on-farm environmental planning and catchment-level partnerships
SDG 8: Decent Work and Economic Growth (8.5, 8.7, 8.8)	• Workplace health, safety and well-being • Responsible and sustainable supply chain practices • Fair employment, rights protection and inclusive people development	Disclosure highlights actions that build equitable systems, supporting workforce capability and enhancing cultural belonging, particularly for women, Māori, Pasifika, LGBTQIA+ staff and young people

(*continued*)

Table 2. Continued

UN SDGs (SDG indicators)	Reporting themes	Summary of disclosures in FCG's 2023 Sustainability Report
SDG 12: Responsible Consumption and Production (12.3, 12.5)	• Waste reduction and circular resource management	Disclosure focuses on sustainable packaging, waste reduction, recycling infrastructure and industry collaboration
SDG 13: Climate Change (13.1)	• Climate adaptation and mitigation	Disclosure focused primarily on reducing greenhouse gas (GHG) emissions across the dairy supply chain, accelerating decarbonisation of manufacturing operations, developing new methane-reduction technologies and transitioning transport to lower-emissions alternatives
SDG 14: Life Below Water (14.1)	• Responsible water stewardship	Disclosure focuses on reduce nutrient pollution, improve wastewater quality, strengthen catchment health and reduce freshwater contamination that eventually flows into downstream rivers, estuaries and marine systems
SDG 15: Life on Land (15.1, 15.2)	• Biodiversity protection and ecosystem stewardship	Disclosure focuses on protecting forests and natural ecosystems, eliminating deforestation in supply chains and strengthening vendor sustainability governance

Downloaded from www.emerald.com/medar/article-pdf/doi/10.1108/MEDAR-02-2026-3728/11981951/medar-02-2026-3728en.pdf by Auckland University of Technology user on 25 Nove

focuses specifically on food-loss and food-waste reduction; also, no quantified data on food waste is provided. Likewise, although initiatives such as packaging redesign, recycling partnerships and process-level waste diversion contribute to waste minimisation, the disclosures do not demonstrate systematic reductions in waste generation across the value chain as required by indicator 12.5. As a result, the SDG 12 narrative remains primarily an account of internal efficiency improvements rather than clear evidence of alignment with the global SDG indicators. The disclosure cited below further demonstrates the issues identified above:

> This year, we continued reducing solid waste sent to landfill, down 13% from last year and down more than 45% from our baseline of FY19. This covers the solid waste from sites we directly manage, including manufacturing sites, offices, retail stores and Fonterra-owned farms […] in New Zealand, as part of our sustained focus on waste reduction and integration of recycling infrastructure across the Farm SourceTM network of stores, we have reduced retail waste to landfill by 54% in comparison to last year. (Fonterra 2023 Sustainability Report, p. 55)

FCG's SDG 13 (Climate Change) disclosure provides extensive detail on emissions measurement, mitigation initiatives and decarbonisation projects, yet it does not clearly demonstrate progress towards indicator 13.1, which focuses on strengthening resilience and adaptive capacity. The report highlights lifecycle assessments conducted with AgResearch, region-specific emissions-intensity estimates and a wide range of mitigation activities, including methane-reduction trials, net-zero demonstration farms and major investments to phase out coal and electrify operations. While these efforts reflect a strong mitigation agenda, the disclosure offers little evidence of systematic adaptation planning or resilience-building for climate-related hazards. There is limited discussion of how farms or manufacturing sites are preparing for extreme weather, water-stress events or long-term climatic shifts. As a result, the reporting emphasises emissions reduction rather than demonstrating alignment with SDG 13.1's core requirement to enhance climate resilience. The disclosure below provides a clear illustration of these shortcomings:

> This year, we published our booklet on our approach to on-farm emissions, which we will update regularly to reflect the changing landscape. We continue to work with farmers to support their understanding of on-farm emissions and how we can work together to maintain our competitive advantage of producing some of the most emissions efficient dairy in the world. (Fonterra 2023 Sustainability Report, p. 31)

FCG's SDG 1 (No Poverty) disclosures focus primarily on internal diversity, equity and inclusion initiatives, enhanced parental-leave provisions, leadership development programmes and extensive workforce training. Although these initiatives may improve employee well-being and career progression, they do not demonstrate measurable progress towards indicator 1.2, which targets reductions in poverty in all its dimensions. The report provides no evidence of income-related improvements, reductions in material deprivation or targeted support for economically vulnerable groups. Instead, the narrative centres on organisational capability building, such as gender-representation targets, GenderTick accreditation, NZQA-accredited training, apprenticeships and graduate pipelines. While valuable internally, these initiatives do not constitute poverty-alleviation outcomes. In addition, partnerships with Tupu Toa, First Foundation and the Māori strategy *Haea te Ata* similarly emphasise cultural capability, representation and educational pathways, rather than direct action to reduce poverty or economic hardship. In short, FCG's SDG 1 reporting recasts internal human resource and inclusion initiatives as contributions to "No Poverty", but provides no evidence that these activities reduce poverty for employees, suppliers or

Downloaded from www.emerald.com/medar/article-pdf/doi/10.1108/MEDAR-02-2026-3728/11981951/medar-02-2026-3728en.pdf by Auckland University of Technology user on 25 Nove

communities, resulting in a significant misalignment with the intent of indicator 1.2. The example that follows reinforces the concern outlined above:

> We have been exploring alternative ways to express our intent and track progress towards ethnic diversity, starting with our Māori workforce, as the indigenous people of Aotearoa New Zealand (see Māori strategy on page 15). This year, primarily due to increased voluntary disclosure of ethnicity information, ethnic representation in senior leadership improved from 15% to 16%. (Fonterra 2023 Sustainability Report, p. 12)

6. Discussion

The longitudinal patterns in FCG's SDG disclosures point to a deliberate, legitimacy-seeking strategy that privileges visibility over verifiability. The findings show that organisations in contested primary industries curate disclosures to gain, maintain or repair legitimacy in the face of heightened scrutiny, selecting narratives that align with salient audiences' expectations (Suchman, 1995; O'Donovan, 2002; Ashforth and Gibbs, 1990). The strong upward trajectory in SDG word counts since 2017, coupled with the persistent absence of an explicit rationale for SDG prioritisation, is consistent with a strategic, message-management approach rather than a transparent account of materiality and performance. In the New Zealand dairy context, where methane gas emissions and freshwater impacts are central legitimacy threats, such reporting serves as a reputational hedge, helping to frame FCG as responsive and responsible despite ongoing controversy around "dirty dairy" externalities (NIWA, 2025; Larson, 2025; Peterson and Mitloehner, 2021).

The SDG 2 narratives typify this strategic orientation. FCG's disclosures foreground food safety systems, quality assurance processes and branded nutrition products, yet they offer little evidence of concrete contributions to ending hunger or reducing malnutrition aligned with indicators 2.1, 2.2 and 2.4 (United Nations, 2015). Rather than demonstrating access, affordability or targeted interventions for food-insecure populations, the emphasis rests on commercial portfolio attributes and internal compliance. This is consistent with prior literature documenting "cherry-picking", "SDG-washing" and the use of positive stories over balanced, indicator-linked performance (van der Waal and Thijssens, 2020; Heras-Saizarbitoria *et al.*, 2021; Hummel and Szekely, 2022). The disconnectedness between claims of "affordable nutrition" and evidence of premium retail pricing further underscores the promotional tenor of SDG 2 disclosures, suggesting symbolic alignment with the SDG label rather than substantive engagement with food security challenges.

A similar pattern is evident for SDG 13. While FCG provides extensive detail on emissions measurement and mitigation, the reporting underplays SDG 13.1's core requirement to strengthen resilience and adaptive capacity (United Nations, 2015). This mitigation-heavy, adaptation-light emphasis coheres with strategic legitimacy tactics: by accentuating technologically legible progress areas, firms can project climate competence while avoiding deeper trade-off discussions around landscape-level resilience, biodiversity and water scarcity (Kuruppu *et al.*, 2019; Ashforth and Gibbs, 1990). In a sector widely problematised for environmental damage and pollution, such disclosures help reframe the narrative from "source of harm" to "agent of solutions", even as persistent environmental side effects remain contested by science and civil society (NIWA, 2025; Peterson and Mitloehner, 2021; Larson, 2025).

The selective reporting of internal initiatives to broad SDGs is also apparent in SDG 1 and SDG 12. Under SDG 1 (No Poverty), the focus on diversity, training pathways and workforce initiatives does not demonstrate measurable progress towards indicator 1.2 – reducing poverty in all its dimensions. Likewise, SDG 12 disclosures emphasise packaging

Downloaded from www.emerald.com/medar/article-pdf/doi/10.1108/MEDAR-02-2026-3728/11981951/medar-02-2026-3728en.pdf by Auckland University of Technology user on 25 Nove

and site-level waste reductions but provide no systematic evidence on food loss and waste (12.3) or value-chain-wide waste generation (12.5), reflecting the wider literature's concerns about weak target-level measurement and fragmented, voluntary practices (Bebbington *et al.*, 2017; Hummel and Szekely, 2022). These patterns persist in a context where guidance exists (e.g. SDGD Recommendations; GRI linkages) but reporting remains heterogeneous and often decoupled from UN indicators and external assurance – issues repeatedly noted in SDG reporting research (Adams *et al.*, 2020; Bebbington and Unerman, 2018; Awuah *et al.*, 2025).

Our analysis reinforces arguments that SDG reporting in environmentally sensitive, primary-industry settings is frequently a vehicle for legitimacy work rather than a neutral accountability mechanism (Cho *et al.*, 2015; García-Meca and Martínez-Ferrero, 2021; Lodhia *et al.*, 2022). Empirically, by tracing disclosure volume and themes over time and assessing alignment with specific UN indicators, we show how the breadth and polish of SDG narratives can mask substantive gaps in materiality justification, target linkage and demonstrated outcomes. For practice, the findings suggest three priorities for credible SDG communication:

(1) explicit, evidence-based SDG prioritisation;

(2) indicator-level targets with baselines, trade-offs and third-party assurance; and

(3) balanced coverage that integrates mitigation for climate change and adaptation of access and affordability for nutrition.

7. Conclusion

Through its longitudinal examination of SDG reporting within a specific organisational context, this study provides deeper insights into the strategic significance of disclosed information. The findings indicate that FCG adopted a strategically curated reporting approach that expanded in volume over time but continued to exhibit notable gaps in transparency, materiality justification and alignment with SDG targets and indicators. The company's strong emphasis on SDG 13 (Climate Action) and SDG 2 (Zero Hunger) underscores how firms in environmentally sensitive primary industries selectively highlight goals that support favourable narratives, while offering limited evidence of substantive progress towards core UN targets. Consistent with strategic legitimacy theory, FCG's disclosures privilege symbolic narratives, highlighting favourable sustainability initiatives and product-based nutrition claims while providing limited discussion of environmental trade-offs, adaptation readiness, affordability or community-level impact. Meanwhile, SDGs such as No Poverty and Responsible Consumption and Production receive limited or misaligned reporting, revealing a pattern of internal initiatives reframed as SDG contributions despite weak connections to global indicators. Collectively, these findings show that SDG reporting functions as an important discursive tool through which FCG seeks to maintain legitimacy amid scrutiny of dairy-sector externalities.

This study makes several contributions to academic research, practice and policy. At the academic level, this study extends the application of legitimacy theory to SDGs reporting, specifically in relation to its strategic nature. It highlights how companies from "dirty" industries strategically use increased SDGs disclosure content on positive issues to distract attention from other aspects that they should report on, thereby masking poor sustainability performance and their commitment to addressing critical social and environmental issues. This research also adds to the literature, supporting prior studies that suggest current SDGs

Downloaded from www.emerald.com/medar/article-pdf/doi/10.1108/MEDAR-02-2026-3728/11981951/medar-02-2026-3728en.pdf by Auckland University of Technology user on 25 Nove

reporting is symbolic and not in line with the UN vision of how SDGs should be used to transform to sustainable practices. In terms of practical contributions, this study provides rich longitudinal insights into SDG reporting practices within New Zealand's dairy industry through a detailed examination of a single organisation. The findings suggest that SDG reporting may serve not only as a mechanism for communicating sustainability activities but also as a means of strategically shaping organisational image and legitimacy. Consequently, there is a need for policymakers and standard setters to develop clearer disclosure requirements that specify minimum reporting expectations for SDG-related activities. Greater specificity in reporting guidance would enhance transparency and accountability while reducing opportunities for the selective or "cherry-picked" disclosure of sustainability information.

Our study has some limitations that also provide opportunities for future research. This research relied on data from the reports of FCG so future research could consider incorporating additional data sources, including interviews, surveys and external audits, for a more comprehensive understanding of SDG reporting practices. Furthermore, qualitative content analysis inherently involves interpretation, and different researchers may interpret the same information differently. Expansion of these data sources will enable alternative explanations of the study to be assessed, thereby establishing whether strategic legitimacy is the predominant explanation for the SDG disclosures. Future research involving a larger number of companies from different countries could also provide deeper insights into the complex interplay of diverse motivations, strategies and outcomes that appear to be playing a crucial role in shaping sustainability practices of companies.

References

Adams, C., Druckman, P. and Picot, R. (2020), "Sustainable development goals disclosure (SDGD) recommendations", in. Association of Chartered Certified Accountants, Chartered Accountants Australia New Zealand, Institute of Chartered Accountants Scotland, International Federation of Accountants, International Integrated Reporting Council and World Benchmarking Alliance, London.

Ali, I., Lodhia, S. and Narayan, A. (2021), "Value creation attempts via photographs in sustainability reporting: a legitimacy theory perspective", *Meditari Accountancy Research*, Vol. 29 No. 2, pp. 247-263.

Archel, P., Husillos, J., Larrinaga, C. and Spence, C. (2009), "Social disclosure, legitimacy theory and the role of the state", *Accounting, Auditing and Accountability Journal*, Vol. 22 No. 8, pp. 1284-1307.

Arora, M.P. and Lodhia, S. (2017), "The BP Gulf of Mexico oil spill: exploring the link between social and environmental disclosures and reputation risk management", *Journal of Cleaner Production*, Vol. 140, pp. 1287-1297.

Ashforth, B.E. and Gibbs, B.W. (1990), "The double-edge of organizational legitimation", *Organization Science*, Vol. 1 No. 2, pp. 177-194.

Awuah, B., Elbardan, H., Yazdifar, H. and Alexander, P. (2025), "Accounting for the sustainable development goals: walking the talk or managing impressions", *Accounting, Auditing and Accountability Journal*, Vol. 39 No. 2, pp. 277-304.

Awuah, B., Yazdifar, H. and Elbardan, H. (2024), "Corporate reporting on the sustainable development goals: a structured literature review and research agenda", *Journal of Accounting and Organizational Change*, Vol. 20 No. 4, pp. 617-646.

Bebbington, J. and Unerman, J. (2018), "Achieving the United Nations Sustainable Development Goals", *Accounting, Auditing and Accountability Journal*, Vol. 31 No. 1, pp. 2-24.

Downloaded from www.emerald.com/medar/article-pdf/doi/10.1108/MEDAR-02-2026-3728/11981951/medar-02-2026-3728en.pdf by Auckland University of Technology user on 25 Nove

Bebbington, J. and Unerman, J. (2020), "Advancing research into accounting and the UN Sustainable Development Goals", *Accounting, Auditing and Accountability Journal*, Vol. 33 No. 7, pp. 1657-1670.

Bebbington, J., Russell, S. and Thomson, I. (2017), "Accounting and sustainable development: reflections and propositions", *Critical Perspectives on Accounting*, Vol. 48, pp. 21-34.

Bell, P. (2001), "Content analysis of visual images", in Van Leeuwen, T. and Jewitt, C. (Eds), *The Handbook of Visual Analysis*, Sage Publications, London, pp. 10-34.

Biermann, F., Kanie, N. and Kim, R.E. (2017), "Global governance by goal setting: the novel approach of the UN Sustainable Development Goals", *Current Opinion in Environmental Sustainability*, Vols 26-27, pp. 26-31.

Braun, V. and Clarke, V. (2006), "Using thematic analysis in psychology", *Qualitative Research in Psychology*, Vol. 3 No. 2, pp. 77-101.

Büyüközkan, G., Karabulut, Y. and Mukul, E. (2018), "A novel renewable energy selection model for United Nations' sustainable development goals", *Energy*, Vol. 165, pp. 290-302.

Chelli, M., Durocher, S. and Richard, J. (2014), "France's new economic regulations: insights from institutional legitimacy theory", *Accounting, Auditing and Accountability Journal*, Vol. 27 No. 2, pp. 283-316.

Cho, C.H., Laine, M., Roberts, R.S. and Rodrigue, M. (2015), "Organized hypocrisy, organizational façades, and sustainability reporting", *Accounting Organizations and Society*, Vol. 40, pp. 78-94.

Chong, S., Ali, I., Narayan, A.K. and Khudir, I.M. (2025), "Beyond the greenwash: institutional forces driving university SDG reporting", *Accounting Research Journal*, Vol. 38 Nos 5-6, pp. 692-706.

Costa, B.R., Menichini, T. and Salierno, G. (2022), "Do SDGs really matter for business? Using GRI sustainability reporting to answer the question", *European Journal of Sustainable Development*, Vol. 11 No. 1, pp. 113-123.

Elalfy, A., Weber, O. and Geoby, S. (2021), "The Sustainable Development Goals (SDGs): a rising tide lifts all boats? Global reporting implications in a post SDGs world", *Journal of Applied Accounting*, Vol. 22 No. 3, pp. 557-575.

Elliot-Mainwaring, H. (2021), "Exploring using NVivo software to facilitate inductive coding for thematic narrative synthesis", *British Journal of Midwifery*, Vol. 29 No. 11, pp. 1-10.

Erin, O., Adebayo, A., Ackers, B. and Soobaroyen, T. (2025), "Sustainable development goal research in accounting: a systematic literature review and directions for future research", *Journal of Financial Reporting and Accounting*, Vol. 24 No. 3, pp. 1372-1408.

Erin, O.A. and Bamigboye, O.A. (2022), "Evaluation and analysis of SDG reporting: evidence from africa", *Journal of Accounting and Organizational Change*, Vol. 18 No. 3, pp. 369-396.

Fonterra (2025), "About us. Annual review", available at: www.fonterra.com/nz/en/investors.html (accessed 5 July 2025).

Fonterra Cooperative Group (2023), "Sustainability report", available at: www.fonterra.com/nz/en/investors/results-and-reporting/archived-reports.html (accessed 4 June 2025).

García-Meca, E. and Martínez-Ferrero, J. (2021), "Is SDG reporting substantial or symbolic? An examination of controversial and environmentally sensitive industries", *Journal of Cleaner Production*, Vol. 298, p. 126781.

Gore, C. (2016), "National policy change from below? Understanding conditions when African cities lead", Earth Systems Governance, available at: https://earthsystemgovernance.net/nairobi2016/wp-content/uploads/Gore-ESG-Urban-Agr-2016.pdf (accessed 5 July 2025).

Haliscelik, E. and Soytas, M.A. (2019), "Sustainable development from millennium 2015 to sustainable development goals 2030", *Sustainable Development*, Vol. 27 No. 4, pp. 545-572.

Heras-Saizarbitoria, I., Urbieta, L. and Boiral, O. (2021), "Organizations' engagement with sustainable development goals: from cherry-picking to SDG-washing?", *Corporate Social Responsibility and Environmental Management*, Vol. 29 No. 2, pp. 316-328.

Downloaded from www.emerald.com/medar/article-pdf/doi/10.1108/MEDAR-02-2026-3728/11981951/medar-02-2026-3728en.pdf by Auckland University of Technology user on 25 Nove

Hummel, K. and Szekely, M. (2022), "Disclosure on the sustainable development goals–evidence from Europe", *Accounting in Europe*, Vol. 19 No. 1, pp. 152-189.

Khalique, F., Madan, P., Puri, G. and Parimoo, D. (2021), "Incorporating SDG 8 for decent work practices: a study of MNC subsidiaries in India", *The Australasian Accounting Business and Finance Journal*, Vol. 15 No. 5, pp. 99-114.

Kiwi, D., Khanagha, S. and Alexiou, A. (2025), "Understanding the role of legitimacy during strategic change in public organisations: a review and research agenda", *Public Performance and Management Review*, Vol. 48 No. 5, pp. 1-39, doi: 10.1080/15309576.2025.2476572.

KPMG (2022), "Big shifts, small steps: survey of Sustainability Reporting 2022", October, KPMG International.

Krippendorff, K. (2013), *Content Analysis: An Introduction to Its Methodology*, 2nd ed. Sage Publications, Thousand Oaks.

Kuruppu, S.C., Milne, M.J. and Tilt, C.A. (2019), "Gaining, maintaining and repairing organisational legitimacy: when to report and when not to report", *Accounting, Auditing and Accountability Journal*, Vol. 32 No. 7, pp. 2062-2087.

Larson, A. (2025), "New Zealand's dirty secret: how dairy industry pollution is threatening Rivers, the climate, and democracy", available at: www.greenpeace.org/aotearoa/story/how-new-zealand-dairy-industry-pollution-threatens-rivers-climate-and-democracy/ (accessed 29 July 2025).

Lindblom, C.K. (1994), "The implications of organizational legitimacy for corporate social performance and disclosure", *Critical Perspectives on Accounting Conference, New York, NY.*

Lodhia, S., Kaur, N. and Kuruppu, S. (2022), "The disclosure of sustainable development goals (SDGs) by the top 50 Australian companies: substantive or symbolic legitimation?", *Meditari Accountancy Research*, Vol. 31 No. 6, pp. 1578-1605.

Macellari, M., Yuriev, A., Testa, F. and Boiral, O. (2021), "Exploring bluewashing practices of alleged sustainability leaders through a counter-accounting analysis", *Environmental Impact Assessment Review*, Vol. 86, pp. 1-10.

Martens, W. and Bui, C.N.M. (2023), "An exploration of legitimacy theory in accounting literature", *Open Access Library Journal*, Vol. 10, p. e9713.

Mendham, D.S., Wise, R.M., Hansen, H.J. and Sams, L. (2017), "The sustainable development goals: a case study", *Marine Policy*, Vol. 86, pp. 94-103.

Milne, M.J. and Gray, R. (2012), "W(h)ither ecology? The triple bottom line, the global reporting initiative, and corporate sustainability reporting", *Journal of Business Ethics*, Vol. 118 No. 1, pp. 13-29.

Mortelmans, D. (2025), "Thematic coding", in *Springer Texts in Social Sciences, Doing Qualitative Data Analysis with NVivo*, Springer, New York, NY.

NIWA (2025), "Climate change and agriculture", available at: https://niwa.co.nz/agriculture/climate-change-information-climate-solvers/climate-change-and-agriculture (accessed 10 July 2025).

O'Donovan, G. (2002), "Environmental disclosures in the annual report: extending the applicability and predictive power of legitimacy theory", *Accounting, Auditing and Accountability Journal*, Vol. 15 No. 3, pp. 344-371.

Pedersen, C.P. (2018), "The UN Sustainable Development Goals (SDGs) are a great gift to business!", *Procedia CIRP*, Vol. 69, pp. 21-24.

Peterson, C.B. and Mitloehner, F.M. (2021), "Sustainability of the dairy industry: emissions and mitigation opportunities", *Frontiers in Animal Science*, Vol. 2, doi: 10.3389/fanim.2021.760310.

Pizzi, S., Del Baldo, M., Caputo, F. and Venturelli, A. (2022), "Voluntary disclosure of sustainable development goals in mandatory non-financial reports: the moderating role of cultural dimension", *Journal of International Financial Management and Accounting*, Vol. 33 No. 1, pp. 83-106.

Rosati, F. and Faria, L.G.D. (2019a), "Business contribution to the sustainable development agenda: organizational factors related to early adoption of SDG reporting", *Corporate Social Responsibility and Environmental Management*, Vol. 26 No. 3, pp. 588-597.

Downloaded from www.emerald.com/medar/article-pdf/doi/10.1108/MEDAR-02-2026-3728/11981951/medar-02-2026-3728en.pdf by Auckland University of Technology user on 25 Nove

Rosati, F. and Faria, L.G.D. (2019b), "Addressing the SDGs in sustainability reports: the relationship with institutional factors", *Journal of Cleaner Production*, Vol. 215, pp. 1312-1326.

Sachs, J.D. (2012), "From Millennium Development Goals to Sustainable Development Goals", *The Lancet*, Vol. 379 No. 9832, pp. 2206-2211, doi: 10.1016/s0140-6736(12)60685-0.

Sachs, J.D. (2015), *The Age of Sustainable Development*, Columbia University Press.

Siegel, K.M. and Bastos-Lima, M.G. (2020), "When international sustainability frameworks encounter domestic politics: the Sustainable Development Goals and agri-food governance in South America", *World Development*, Vol. 135, p. 105053.

Silva, S. (2021), "Corporate contributions to the Sustainable Development Goals: an empirical analysis informed by legitimacy theory", *Journal of Cleaner Production*, Vol. 292, p. 125962.

Stern, N.H. (2009), *A Blueprint for a Safer Planet: How to Manage Climate Change and Create a New Era of Progress and Prosperity*, The Bodley Head, London.

Suchman, M.C. (1995), "Managing legitimacy: strategic and institutional approaches", *Academy of Management Review*, Vol. 20 No. 3, pp. 571-610.

Unerman, J. and Bennett, M. (2004), "Increased stakeholder dialogue and the internet: towards greater corporate accountability or reinforcing capitalist hegemony?", *Accounting, Organisations and Society*, Vol. 29 No. 7, pp. 685-707.

United Nations (2015), "Transforming our world: the 2030 agenda for sustainable development. United nations", available at: https://sdgs.un.org/2030agenda (accessed 6 April 2025).

van der Waal, J.W.H. and Thijssens, T. (2020), "Corporate involvement in sustainable development goals: exploring the territory", *Journal of Cleaner Production*, Vol. 252, pp. 1-11.

van Zanten, J.A. and van Tulder, R. (2018), "Multinational enterprises and the sustainable development goals: an institutional approach to corporate engagement", *Journal of International Business Policy*, Nos 3-4, pp. 208-233.

Vargas, G.M., González-Campo, C.H. and Brath, D.I. (2020), "Mapping the integration of the sustainable development goals in universities: is it a field of study?", *Journal of Teacher Education for Sustainability*, Vol. 22 No. 2, pp. 7-25.

Wagner, B., De Gooyert, V. and Veeneman, W. (2023), "Sustainable development goals as accountability mechanism? A case study of Dutch infrastructure agencies", *Journal of Responsible Technology*, Vol. 14, p. 100058.

Weber, O. (2019), "Sustainable finance and the SDGs: the role of the banking sector", in Dalby, S., Horton, S., Mahon, R. and Thomaz, D. (Eds), *Achieving the Sustainable Development Goals*, Milton Park, Routledge.

Weitz, N., Nilsson, M. and Davis, M. (2014), "A nexus approach to the post-2015 agenda: formulating integrated water, energy, and food SDGs", *The SAIS Review of International Affairs*, Vol. 34 No. 2, pp. 37-50, doi: 10.1353/sais.2014.0022.

Yin, R.K. (2013), *Case Study Research: Design and Methods*, Sage, USA.

Zampone, G., Nicolò, G., Sannino, G. and De Iorio, S. (2022), "Gender diversity and SDG disclosure: the mediating role of the sustainability committee", *Journal of Applied Accounting Research*, Vol. 25 No. 1, pp. 171-193.

Corresponding author
Irshad Ali can be contacted at: irshad.ali@aut.ac.nz

For instructions on how to order reprints of this article, please visit our website:
www.emeraldgrouppublishing.com/licensing/reprints.htm
Or contact us for further details: **permissions@emeraldinsight.com**

Downloaded from www.emerald.com/medar/article-pdf/doi/10.1108/MEDAR-02-2026-3728/11981951/medar-02-2026-3728en.pdf by Auckland University of Technology user on 25 Nove