TALKING THEIR WAY OUT?

THE CORPORATE FRAMING OF MONEY LAUNDERING CONTROVERSIES IN NORDIC BANKS

ANTON STRANDQVIST

DAVID ÅHLANDER

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Abstract

The study examines how Danske Bank, SEB, Nordea and Swedbank developed their corporate communication strategies before, during, and after their involvement in the Estonian money laundering scandal between 2017-2020. By applying a qualitative, longitudinal multiple-case study design, the study draws on Benford and Snow's (1988) framing theory to analyze the narrative strategies these four major Nordic banks employed to construct meaning, manage reputational risk and regain legitimacy. The empirical data consists of annual reports and controversy-related press releases issued between 2014 and 2024. The study applies 1) Diagnostic, 2) Prognostic, 3) Motivational and 4) Moral framing concepts to explore how each bank responded to intensified scrutiny. Findings indicate a rhetorical shift from early evasive and compliance-oriented discourse to a post-controversy emphasis on technological enhancement, institutional reform and sectoral leadership. Rather than reflecting transparent ethical accountability, ESG disclosures often functioned as strategic impression management tools, aimed at signaling legitimacy under public and regulatory pressure. By tracing the longitudinal development of framing tactics across different phases of the controversy, this study contributes to the literature on corporate legitimacy and crisis communication. It highlights how organizations rhetorically adjust their ESG disclosures to align with shifting expectations and how disclosure practices adapt to external pressure. The research thereby offers a deeper understanding of the symbolic role of corporate communication in contexts of ethical failure and post-controversy recovery.

Keywords: *Controversy, ESG Disclosures, Framing, Diagnostic, Prognostic, Motivational, Moral, Money Laundering*

Authors:

Anton Strandqvist (42513)
David Åhlander (42506)

Tutor:

Henning Christner, Assistant Professor, Department of Accounting

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Stockholm School of Economics

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Definitions and abbreviations

Term	Definition Used In Study
AML 4	The Fourth Anti-Money Laundering Directive is an EU regulation introduced in 2015 to improve financial transparency and strengthen anti-money laundering controls, including stricter due diligence and disclosure of beneficial ownership (European Commission, 2015)
ESG disclosures	Public disclosures that include a company's reporting of its performance and impact in the areas of Environmental, Social and Governance (ESG)
Framing	Framing theory originated as a concept in sociology and social psychology (Goffman, 1974). In management literature, framing is understood as a key process for shaping and contextualizing meaning, helping individuals and organizations interpret and make sense of complex situations

Abbreviations	Full definition
AFC	Anti-Financial Crime
AIB	Allied Irish Banks
AML	Anti-Money Laundering
CBS	Copenhagen Business School
CSR	Corporate Social Responsibility
CTF	Counter Terrorist Financing
DFS	Department of Financial Services
ESG	Environmental, Social and Governance
FSA	Financial Supervisory Authority
KYC	Know Your Customer
SAMLIT	Swedish Anti-Money Laundering Intelligence Task Force

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1. Introduction

Throughout the last decades, Nordic banks have collectively been recognized for their financial integrity and have served as benchmarks regarding the conduct of ethical business practices. Having built their reputations with extensive focus on low corruption indexes and strong institutional integrity, Danske Bank, SEB, Nordea and Swedbank have gained a reputation for credibility, both in the Nordic region and globally. However, this perception was seriously compromised as a result of the money laundering controversy linked to the bank's Estonian operations between 2014 and 2019 (Reuters, 2019). As a result of investigative journalism, the Swedish television program *Uppdrag Granskning*, along with the Finnish newspaper *Yle*, exposed that suspicious transactions, in the range of billions of euros, had been transferred through the bank's Baltic subsidiaries over several years (SVT, 2019; Yle, 2019). Particularly, Danske Bank admitted to facilitating around 200 billion euro in suspicious transactions through its Estonian branch between the years of 2007 and 2015, which initiated criminal investigations across numerous jurisdictions (Reuters, 2018). Swedbank, SEB and Nordea were soon to follow, facing allegations of similar activities and regulatory failures, with SEB and Nordea less central to the media storm, nonetheless implicated in questionable practices and drawn into regulatory investigations.

In particular, the controversy raised significant doubts about the credibility of ESG (Environmental, Social and Governance) disclosures, which are intended to reflect a bank's ethical orientation and governance standards. Despite long-standing reputations for transparency and responsibility, the failure of these institutions to detect or prevent extensive misconduct suggests that ESG reporting may have served more as a symbolic gesture than as a genuine indicator of ethical behavior. This issue is highly relevant in previous literature that questions whether ESG disclosures represent actual organizational change or are primarily used to manage external perceptions (Cho et al., 2015; Fracarolli Nunes & Lee Park, 2017). Notably, the concept of organized hypocrisy, proposed by Cho et al. (2015), is particularly relevant here, describing how organizations may project an image of ethical integrity while internally failing to implement meaningful reforms.

In addition to this, the bank's responses to the controversy also reveal how language and disclosure practices were strategically employed to shape public perception and manage reputational risk. Through press releases and annual reports, the implicated institutions adopted a range of rhetorical strategies, distancing current leadership from past actions, framing the events as isolated or legacy matters and issuing carefully crafted apologies that avoided full acceptance of responsibility. The Nordic banking case, therefore, exposes a core tension in ESG reporting. While intended to signal transparency and ethical integrity, these disclosures could also function as framing instruments to defend legitimacy when those values are most in doubt.

This study seeks to examine and understand how Danske Bank, SEB, Nordea and Swedbank framed their corporate communication through a qualitative, longitudinal multiple-case analysis. Accordingly, the thesis investigates how each institution framed its communication across three key phases of the Estonian money laundering controversy: 1) before public exposure (pre-controversy), 2) during the height of media and regulatory scrutiny (controversy) and 3) in the aftermath of the exposures (post-controversy), with the analysis being based on a dataset of annual reports and controversy-related press releases from 2014 to 2024. By applying the four framing categories, diagnostic, prognostic, motivational and moral, proposed by Benford and Snow (1988), this study seeks to examine how the banks defined problems, proposed solutions, appealed to stakeholder values and aimed to restore legitimacy through evolving narrative strategies. Thus, the thesis seeks to answer the following research question:

> "*How do Nordic banks frame their corporate communication before, during and after money laundering controversies?*"

While previous academic attention has been focused upon the regulatory failures, legal consequences and institutional reforms resulting from money laundering controversies (Minto & Rasmussen, 2022; Pataccini, 2023), limited research has explored how financial institutions have established and framed their public narratives during controversies through a longitudinal lens. Therefore, this study aims to address that gap by examining how the four major Nordic banks framed their corporate communication before, during and after their involvement in the money laundering controversy tied to their Estonian operations.

Rather than treating ESG disclosures and public statements as transparent reflections of ethical reform, this study conceptualizes them as strategic framing devices used to manage reputational risk, shape stakeholder perception and negotiate institutional legitimacy. By tracing how the emphasis moved from early procedural ambiguity to selective admissions, reform-oriented messaging and eventually to competence-based and technically focused narratives, the study contributes to framing theory by revealing the temporal and adaptive nature of ESG discourse in times of crisis. Furthermore, it shows how banks selectively invoked or abandoned ethical and emotional framing in favor of regulatory compliance language, signaling a shift in how legitimacy is performed and maintained in the financial sector. Consequently, this research highlights both the rhetorical flexibility and organizational alignment involved in crisis communication, providing a more nuanced understanding of how ESG disclosures function as legitimacy tools, not just during reputational collapse, but across the full life cycle of a controversy.

2. Literature Review

2.1 Prior Critical Research on ESG Disclosure

At present, ESG disclosures function as an essential tool for organizations to communicate their impact on society and the environment. Correspondingly, various scholars have contributed to shaping the definition of ESG reporting, with Gray et al. (1988) defining it as the process of disclosing the social and environmental effects of an organization's financial activities to various parties, while Mathews & Perera (1996) broadens this definition to incorporate reporting related to employees, community engagement and environmental protection.

However, a central discussion point in the literature highlights whether these disclosures reflect legitimate organizational change or functions as strategized rhetoric to control public perception. Cho et al. (2015) proposes the concept of organized hypocrisy, which argues that organizations often uphold a facade of responsibility through ESG disclosures, while failing to implement substantial reforms. This implies that, rather than being a straightforward way for accountability, ESG disclosures can be selectively used to protect organizational legitimacy. Similarly, Fracarolli Nunes & Lee Park (2017) emphasize how organizations shape reputations through self-proclaimed ESG narratives, often showcasing their ethical commitments without tangible actions to support these claims.

Furthermore, the strategic use of communication in organizational disclosures becomes noticeably evident following scandals or public controversies. Prior research on the subject has identified various techniques that organizations have used to navigate these situations, with Linsley and Kajüter (2008) and Elsbach (1994) discussing how organizations use verbal approaches, which includes justifications, apologies and excuses, to dissociate themselves from controversies. These communication tactics enable organizations to acknowledge external concerns while maintaining control over their narrative. Additionally, Beelitz and Merkl-Davies (2012) differentiate between substantive responses (which involve actual changes in processes and policies) and symbolic initiatives (which primarily create an illusion of change without a real internal shift).

2.2 Corporate Rhetoric in the Face of ESG Controversies

Building on the broader critiques of ESG disclosures, a growing body of research has focused more specifically on how organizations respond rhetorically to ESG-related controversies. One crucial aspect of communication in the event of an ESG controversy is the strategic use of corporate rhetoric and argumentation to shape stakeholder perception. Brennan & Merkl-Davis (2014) analyze corporate responses to

Greenpeace's "Dirty Laundry" campaign, where major fashion brands were pressured to eliminate toxic chemicals from their supply chains. Their study found that organizations initially frame their responses defensively, using rhetorical strategies such as denial, justification and partial admissions of guilt. However, over time these responses evolved into legitimacy-seeking narratives, emphasizing compliance and corporate responsibility rather than fully addressing the core issues.

Another dimension of crisis communication involves the degree to which organizations tailor their rhetoric based on stakeholder influence. Waniak-Michalak & Michalak (2024) investigate whether organizational reactions to controversies depend on the significance of the issue for different stakeholder groups. Their findings suggest that when highly influential stakeholders, such as regulators or major investors apply pressure, companies are more likely to acknowledge controversies and present reform-oriented narratives. On the other hand, when stakeholder pressure is weaker, organizations may choose limited disclosure or complete silence. The tendency to suppress or selectively disclose controversial information is further explored by Schwoy et al. (2024) in their analysis of ESG controversy reporting within the pharmaceutical and textile industries. Their study finds that a significant portion of corporate scandals remain undisclosed or are only briefly mentioned in legal reports, rather than being fully incorporated in ESG disclosures. Additionally, their analysis highlights differences in disclosure strategies across industries, with firms in highly scrutinized sectors exhibiting greater reliance on symbolic measures, such as vague commitments to corporate responsibility, rather than concrete remedial actions (Schwoy et al, 2024).

This pattern of favoring symbolic actions over meaningful reform in response to ESG controversies is further researched in a recent study by Corazza et al. (2020), who examined the Costa Concordia disaster as a case of corporate legitimacy restoration. The study reveals how Costa Crociere, the parent company of Costa Concordia, adjusted its ESG reporting following the shipwreck, strategically reframing the incident to shift focus away from its immediate impact. Rather than fully acknowledging responsibility, the company emphasized future safety improvements and corporate responsibility commitments, mirroring the broader trend of forward-looking disclosures aimed at managing public perception rather than addressing the root causes of the crisis.

Given the growing skepticism around ESG disclosures as reliable indicators of ethical conduct during controversies, these communications are increasingly perceived as strategic tools rather than transparent reflections of corporate responsibility. Correspondingly, banks have come under heightened scrutiny, with regulators and stakeholders demanding clearer evidence of ethical commitment and transparent operations. This has forced financial institutions to use ESG reporting not only to inform but also to influence public perception (European Banking Authority, 2021). Therefore, framing theory provides a useful analytical lens in this regard as it highlights

how organizations construct narratives to define issues, allocate responsibility, suggest actions and appeal to ethical and emotional values (Benford & Snow, 1988).

2.3 Framing as a Concept

Framing theory originated as a concept in sociology and social psychology (Goffman, 1974) and has since been applied across multiple disciplines, from conflict negotiation to organizational studies, leading to diverse approaches to framing. In management literature, framing is a key process in shaping meaning. Cornelissen and Werner (2014) note that organizational actors use frames to initiate, justify or resist change, while also working to maintain the status quo. When a company faces a controversy, its communications become a battleground of interpretations. Different stakeholders may engage in "framing contests", competing to define the problem and its implications (Carragee & Roefs, 2004). As a result of this, organizations seek to assert their narrative authority related to the perceived credibility to tell the definitive story of what happened (Leins, 2020). Through effective framing, organizations, therefore, attempt to retain control of the narrative and align it with their interests, thereby preserving stakeholder trust and confidence.

A useful way to analyze corporate communication during controversies is by the types of frames employed. Research on social movements (Benford & Snow, 1988) outlines three core framing tasks, namely diagnostic, prognostic and motivational, which can be adapted to corporate contexts. Additionally, corporations also use moral framing to appeal to norms and values (Linsley and Kajüter 2008).

2.3.1 Diagnostic Framing

Diagnostic framing involves identifying the nature of a problem and attributing responsibility or blame for it (Benford & Snow, 1988). Prior studies show that companies often engage in self-serving attributions to protect their image. For instance, firms experiencing poor outcomes tend to attribute negative results to external and uncontrollable factors, effectively casting themselves as victims of circumstance rather than willful wrongdoers (Bujaki & McConomy, 2015). Furthermore, Aerts (2005) describes these as "self-presentational attributions" that frame setbacks as due to factors like market conditions or regulatory changes. By shifting blame to external events such as market conditions or other industry issues, organizations deploy diagnostic framing to minimize their responsibility for the controversy.

Previous empirical research on impression management in financial communications also provides evidence of such blame-shifting frames. Clatworthy and Jones (2006) observe that when a new CEO takes over a troubled firm, corporate disclosures often blame poor past performance on the prior management, a form of *"*ritual scapegoating*"*. Abrahamson and Park (1994) further note this scapegoating dynamic and that such

framing can be especially prominent in the early phase of a scandal, when companies may initially deny or downplay the severity of the issue.

However, diagnostic framing that is seen as overly evasive can backfire and further erode legitimacy (Elsbach, 1994). Elsbach's study of organizational legitimacy in a controversy found that outright denials of problems tend to be less effective than acknowledgments in maintaining credibility with audiences. Verbal accounts that admit an issue but explain it via socially acceptable reasons therefore prove to be far better (Beelitz & Merkl-Davies, 2012). In line with this, research in crisis communication emphasizes that a partial concession can sometimes protect legitimacy more than total denial, which may be viewed as a lack of transparency. Ultimately, the goal of diagnostic framing for the firm is to control the narrative of causality and to convince stakeholders that any misconduct was irregular and not reflective of a broader organizational failure.

From a practical perspective, Linsley and Kajüter (2008) study analyzed the annual report of Allied Irish Banks (AIB) following a major fraud incident and found that the bank used defensive impression management strategies as a form of symbolic action to repair its legitimacy. The annual report's narrative framed the unpredictable trading loss as a one-off event caused by a single individual, implying the problem had been identified and removed. By decoupling the scandal from the bank's core operations, the diagnostic frame reassured audiences that the fundamental integrity of the organization remained intact.

2.3.2 Prognostic Framing

After defining the problem, organizations also tend to use prognostic framing to articulate what is being done to address it. Prognostic framing entails proposing solutions, strategies or future actions to remedy the issues identified (Benford & Snow, 1988). The literature on crisis response and legitimacy restoring underscores the importance of this framing. Coomb's (2007) situational crisis communication theory, for example, notes that providing corrective action is a primary response strategy for organizations in crisis, by publicly committing to reforms. A recent study by Bellucci et al. (2021) supports Coomb's theory and found that when companies in environmental scandals were transparent about the event and detailed their corrective actions, stakeholders perceived them as more legitimate and less hypocritical. The combination of an admission of responsibility for the damage caused and the illustration of remedial actions leads to more positive stakeholder evaluations.

In line with this, a study by Beelitz and Merkl-Davies (2019) provides another example of prognostic framing through their analysis of communications after the Fukushima nuclear disaster. The authors found that one of the dominant frames employed by pro-nuclear actors was "lessons learned". This frame emphasized that the industry and

regulators had gleaned valuable lessons from the disaster and were implementing changes accordingly. By invoking lessons learned, the communicators acknowledged the severity of the event but simultaneously reassured the public that concrete measures such as technical upgrades and stricter safety protocols would prevent such an incident from recurring.

Another frame identified in the Fukushima case is "safety." In practice, this means stressing the ongoing and enhanced safety measures in place. Within prognostic discourse, the solution can be interpreted as the safety frame, which highlights the solution (strict safety enforcement) and the desired outcome (risk mitigation) (Beelitz & Merkl-Davies, 2019). Likewise, financial institutions caught in misconduct often underscore how safety and integrity measures have been improved post-scandal, by continuously referencing improvements, the company's communications construct a narrative that the problems are fixable and are being fixed, aiming to restore stakeholder confidence (Linsley & Kajüter, 2008).

2.3.3 Motivational Framing

Motivational framing provides a rationale that encourages audiences to engage or support a course of action. In social movements, this means motivating people to join the cause in corporate communications to remain committed or supportive of the company through the controversy (Benford & Snow, 1988). One aspect of motivational framing in corporate discourse is emphasizing a hopeful future beyond the scandal. This often involves forward-looking statements and narratives of improvement or redemption. For example, researchers have noted that companies engage in future-oriented framing to shift attention from past misconduct to anticipated achievements (Lodhia & Mitchell, 2022). Furthermore, Abrahamson and Baumard (2008) introduce the concept of a "progressive façade", which refers to the symbolic representation of advancement designed to sustain organizational legitimacy by implying that current challenges are merely temporary obstacles on the path to meaningful reform. In line with this, Cho et al. (2015) illustrate how firms construct similar façades by highlighting their progress toward strategic goals, thereby redirecting attention from past issues and maintaining stakeholder support.

Additionally, the use of emotional language is another characteristic of motivational framing. As noted by Waller and Conaway (2011), organizations employ various rhetorical and linguistic techniques, including metaphors, analogies and storytelling, to influence audience perceptions during reputational repair. These approaches often carry implicit motivational appeals. For instance, a metaphor of a journey frames the stakeholders as partners in an ongoing positive movement. Studies in discursive framing also highlight that motivational framing is a sense-giving process. When companies strategically use uplifting or unifying language, they are giving sense to the scandal in a way that motivates constructive engagement rather than outrage or abandonment. This

can mitigate stakeholder's impulse to cut ties, instead encouraging them to support the organization's recovery efforts (Fiss & Zajac, 2006).

Another illustrative example of motivational framing can also be drawn from Beelitz and Merkl-Davies (2019) findings. Alongside diagnostic and prognostic frames, pro-nuclear communicators after Fukushima employed a "nuclear renaissance" frame. This frame was inherently motivational as it painted a picture of a bright future where nuclear energy, improved by lessons from the controversy, would experience a revival and contribute to society.

2.3.4 Moral Framing

In times when a company might experience a crisis involving ethical misconduct, the company risks losing what scholars refer to as "moral legitimacy". This refers to the public's perception that the organization operates in line with society's shared values and norms of right and wrong (Nielsen & Thomsen, 2018). In such cases, the way a company communicates about the issue, particularly whether it acknowledges and addresses the ethical dimensions, plays a crucial role in maintaining or restoring legitimacy. This is where moral framing becomes important. Moral framing in corporate communication involves emphasizing ethical principles, standards and values to shape the narrative surrounding a scandal. By using this approach, companies seek to show that they understand what is morally right, condemn the wrongdoing, and are either upholding or recommitting to ethical conduct (Hafenbrädl & Waeger, 2021).

Beyond condemning wrongdoing, corporations use moral framing to reaffirm their commitment to ethical principles. This can involve invoking the company's mission, values or corporate culture as a moral compass. By referencing core values such as integrity, honesty, trust and compliance, the organization attempts to align with the societal values of its audience, as research emphasizes that frames must align with audience values to be persuasive (Benford & Snow, 2000). If stakeholders believe the company is ultimately guided by the right values, they are more likely to continue granting it legitimacy. Thus, moral framing often goes hand-in-hand with identity reframing as the organization tries to show that the scandal is a betrayal of who they are and now returning to or strengthening their true ethical identity (Torbor et al., 2025). Moreover, Elsbach's (1994) findings support the effectiveness of acknowledging issues from a moral standpoint. The author's findings noted that acknowledgment coupled with apologetic language and reference to institutional norms was more effective in preserving legitimacy than outright denial. This implies that taking a moral stance, admitting the failure and framing it as inconsistent with both the firm's and society's ethics can be an effective strategy.

The notion of moral legitimacy frames has been explored in media studies as well. For instance, news analyses sometimes identify a "moral frame" where the focus is on

ethical evaluations of an event (Dittmann & Gerber, 2016). In corporate communication, a moral frame can be seen whenever the discourse centers on values, norms or ethical judgments. For example, Linsley and Kajüter's (2008) analysis of the scandal involving AIB observed that alongside technical explanations, there were symbolic gestures to morality, such as affirmations of the bank's commitment to transparency and trust, implying that the fraud was a violation that the bank as an institution condemns.

3. Data Collection and Methodology

This chapter outlines the methodological framework guiding the study, organized into three main parts. Section 3.1 presents the research approach, including the qualitative research strategy and the application of framing analysis to examine how Danske Bank, SEB, Nordea and Swedbank communicated across different phases of the Estonian money laundering controversy. Moreover, section 3.2 details the data collection process, focusing on annual reports and press releases from 2014 to 2024, and the selection criteria used to ensure relevance and comparability. Lastly, section 3.3 outlines the data analysis procedure, which involves both quantitative and qualitative methods to identify trends and communication peaks.

3.1 Research Approach

3.1.2 Research Strategy

This study adopts a qualitative research strategy. Qualitative research emphasizes analysis of words and meaning in context rather than numerical measurement. According to Bryman and Bell (2015), "*...qualitative research is a strategy that usually emphasizes words and images, rather than quantification, in the collection and analysis of data…*". A quantitative approach is believed not to capture the full nuance of framing devices, thus, a qualitative, interpretive strategy is justified. Framing involves not just the presence of particular terms or topics, but the ways in which issues are defined, problems are constructed and narratives are morally positioned, which are elements that require contextual interpretation rather than numerical abstraction. Qualitative analysis enables a deeper understanding of the rhetorical choices and evolving discursive strategies that banks employed in response to reputational threats. Within this qualitative framework, the study specifically employs framing analysis as its analytical lens. In public relations research, a framing analysis approach focuses on how organizations construct messages and meanings intended to influence the public and relevant stakeholders (Benford & Snow, 1988).

The study applies framing analysis to understand how the banks shaped the interpretation of the Estonian money laundering controversy through their communications. Framing analysis is grounded in the work of Goffman (1974) and later communication scholars. Goffman (1974) introduced the concept of "frames" as structures of interpretation. In other words, frames are the interpretive lenses or narratives that contextualize an issue. In this study, framing analysis involves identifying the specific frames the banks used in discussing the controversy. Benford and Snow (1988) research on framing provides further guidance for the analysis.

3.2.1 Research Design

The research design is a comparative case study with a longitudinal element. A longitudinal design means data are collected from multiple time points to observe changes over time (Bryman & Bell, 2015). The study examines four cases, Swedbank, Danske Bank, Nordea and SEB, and compares how each one framed its communication about the Estonian money laundering controversy.

Bryman and Bell (2015) classify comparative design as studying two or more cases with identical methods to highlight similarities or differences. By analyzing four banks side-by-side, the study can identify patterns of corporate communication that might be consistent across the Nordic banking sector as well as any unique approaches by individual banks. This comparative element strengthens the study's analytical insights, if all four banks frame the controversy similarly, that suggests industry-level communication norms, whereas divergent framing might reflect each bank's specific context or strategy.

Furthermore, the periodization is categorized into three key phases: pre-controversy, controversy and post-controversy. However, the specific timing may vary across individual banks depending on when each bank publicly announced its controversy. By comparing communications across these phases, the research design captures dynamics in messaging. For example, a bank might initially minimize the issue and then, during the controversy, adopt an apologetic or corrective frame and later focus on restoration and improvements. The longitudinal aspect thus provides insight into change over time in corporate narratives, adding depth to the framing analysis beyond a point-in-time view.

3.2 Data Collection

3.2.1 Annual Reports

The primary data for each bank includes its annual reports from the period 2014-2024. These reports were systematically collected from each bank's official public website, typically from investor relations or financial reports archives. The main annual financial reports for each year were included, along with integrated sustainability and corporate responsibility reports, if they were separately published. The reasoning for including annual sustainability reports is that such reports might contain discussions of compliance and ethical conduct, which are relevant to the scandal. However, most banks incorporate major governance and risk issues into their annual reports or annual financial statements commentary.

3.2.2 Press Releases

In addition to annual reports, the study collected and analyzed a total of 44 press releases issued by the banks between 2014 and 2024 that pertain to the money laundering scandal. Press releases were chosen as the second data source because they represent the bank's more immediate communications, often released in reaction to specific events such as investigative news reports, regulatory announcements or internal findings becoming public.

The selection of press releases was more targeted than that of annual reports. Not every press release published in the past ten years was analyzed, instead, only press releases that were relevant to the Estonian money laundering controversy or broader AML (anti-money laundering) context were regarded. The process for selection involved searching the bank's press release archives, usually accessible on their official websites under "News" or "Media/Press" sections, using keywords and date filters. Keywords included terms like "money laundering", "AML", "Estonia", "investigation", "regulator", "fine", "scandal" and names of key related entities. In practice, the number of press releases selected for each bank varied, but it was ensured that all major communications related to the scandal were included.

3.3 Data Analysis

The data collection and analysis were conducted simultaneously as annual reports and press releases were compiled into a consolidated spreadsheet for each of the four banks. The sheet was divided into several sections that gathered annual reports and relevant press releases from 2014-2024, key statements and frequency tables of controversy-related words. The data was further analyzed to decide upon the relevant periods for each of the four banks in question. The starting point of 2014 was deliberately chosen to provide sufficient historical context before any public awareness of the money laundering allegations emerged. By capturing communications well before the beginning of the controversy, the study establishes a baseline of each bank's standard corporate discourse and rhetorical tone under normal conditions. Furthermore, these phases are structured to capture the full course of each bank's money-laundering controversy, with the "controversy" phase commencing when the scandal first became publicly known. This scheme ensures that the pre-controversy interval represents normal conditions before any public controversy, the controversy period captures communications under the intense scrutiny of an unfolding scandal and post-controversy reflects the aftermath once the controversy has largely run its course, extending to the most recent data in 2024.

3.3.1 Definition of Time Periods

Time Period	Danske Bank	SEB	Nordea	Swedbank
Pre-Controversy	2014-2016	2014-2018	2014-2018	2014-2018
Controversy	2017-2019	2019-2020	2019-2020	2019-2020
Post-Controversy	2020-2024	2021-2024	2021-2024	2021-2024

Table 1: Overview of the phases for each of the banks

For Danske Bank, the controversy emerged earlier than for the other banks. Initial media investigations exposed Danske bank's illicit Estonian transactions to the public in 2017 (ICIJ, 2020), so 2017-2019 marks its controversy period. Accordingly, 2014-2016 serves as Danske Bank's pre-controversy period and 2020-2024 is defined as the post-controversy phase after the controversy had unfolded. In contrast, the controversy at SEB, Nordea and Swedbank became public later, around 2019, triggered by high-profile journalistic investigations. In early 2019, for instance, Swedish Television's *Uppdrag Granskning* and Finland's *Yle* reported extensive suspicious transactions involving Swedbank and Nordea and similar allegations at SEB were revealed in late 2019 (Reuters, 2019). Accordingly, for Nordea, SEB and Swedbank, the "controversy" window is defined as 2019-2020, beginning when their scandal becomes publicly known. The preceding years 2014-2018 are designated as the pre-controversy period for these banks, and the post-controversy period runs from 2021 up to 2024. This post-controversy phase starts once the controversy has unfolded and extends to the end of the observation period, capturing the bank's communications in the aftermath of the scandals (see Table 1).

3.3.2 Frequency Tables of Identified Key Terms and Number of Press Releases

Furthermore, data frequency counts of key terms, such as "AML" and "Laundering", were extracted from the annual reports, and also the press releases relevant to the controversy were collected and counted over the given period. These steps were conducted in addition to the qualitative analysis to gain a broader understanding of how intensively the banks responded to the controversy and to further support the study's defined controversy phases. Tracking the frequency of key terms also helped identify the beginning and eventual decline of public communication around the issue:

Frequency of "*Laundering*" in Annual Reports	**Danske Bank**	**SEB**	**Nordea**	**Swedbank**
2014	0	4	1	14
2015	5	5	1	10
2016	8	10	4	11
2017	14	17	2	26
2018	10	21	5	27
2019	18	33	12	94
2020	11	53	10	73
2021	8	30	10	55
2022	4	22	9	42
2023	2	23	5	45
2024	4	30	16	48
Total Word Usage:	**84**	**248**	**75**	**445**

Table 2: Frequency of the word "Laundering" in the bank's annual reports over the selected period.

Table 2 reveals how openly and frequently each bank addressed the topic of "laundering". Swedbank used the term 445 times throughout the period, far exceeding all other banks, indicating a highly public-facing and detailed engagement with the issue. SEB followed with 248 mentions, while Danske Bank and Nordea registered 84 and 75, respectively. Swedbank had the highest number of mentions in 2019, with 94 this year alone.

Additionally, the frequency of "AML" was also measured:

Frequency of "*AML*" in Annual Reports	**Danske Bank**	**SEB**	**Nordea**	**Swedbank**
2014	0	0	3	0
2015	0	1	2	0
2016	1	3	4	1
2017	1	3	4	2
2018	22	9	0	1
2019	23	7	29	19
2020	19	6	26	60
2021	11	14	20	26
2022	8	14	22	22
2023	2	14	15	22
2024	0	10	9	14
Total Word Usage:	**87**	**81**	**134**	**167**

Table 3: Frequency of "AML" in the bank's annual reports over the selected period

Mentions of "AML" further clarify how banks framed their public stance on compliance and reform. Swedbank and Nordea stand out with 167 and 134 mentions, respectively, suggesting a stronger focus on regulatory positioning and reform language over time. While Danske Bank had relatively few "AML" mentions pre-controversy, it experienced a peak between 2018 and 2020 with 22 and 23 mentions per year, respectively, aligning with regulatory scrutiny. Interestingly, Swedbank's usage increased significantly post-2019, especially in 2020.

Lastly, in addition to tracking the frequency of relevant terms, the study also examined the number of controversy-related press releases issued by each bank:

Number of press releases related to the controversy	Danske Bank	SEB	Nordea	Swedbank	Total (per year)
2014	0	0	0	0	**0**
2015	0	0	0	0	**0**
2016	0	0	0	1	**1**
2017	2	0	0	0	**2**
2018	6	0	0	1	**7**
2019	3	4	0	11	**18**
2020	1	2	0	2	**5**
2021	1	0	0	3	**4**
2022	1	0	1	2	**4**
2023	0	0	0	0	**0**
2024	1	0	1	1	**3**
Total Press Releases:	**15**	**6**	**2**	**21**	**44**

Table 4: Number of press releases published by the banks over the selected period

Throughout the period, Swedbank issued 21 press releases directly related to the controversy, and 12 of these appeared in 2019 alone. Danske Bank issued 15 press releases, largely concentrated between 2018 and 2020, aligning with the investigative timeline and formal charges in Denmark and the United States. Nordea, in contrast to the generally recognized pattern, remained notably silent during the height of the crisis (2019–2020), issuing its first related press release only in 2020. SEB's press releases were issued only during the controversy period, with no public statements released during the pre-controversy or post-controversy phase. The bank published 4 press releases in 2019 and 2 in 2020, aligning with the height of the unfolding scandal.

4. Empirical Analysis

This section presents the empirical analysis and is divided into two parts. Section 4.1 provides a chronological timeline of key developments for Danske Bank, SEB, Nordea and Swedbank between 2014 and 2024. This timeline outlines the key events surrounding the money laundering controversy in the bank's Estonian branches. Section 4.2 then offers an applied framing analysis, examining how the banks framed their communication during the pre-controversy, controversy and post-controversy periods using theoretical concepts of diagnostic, prognostic, motivational and moral framing.

4.1 Timeline of Controversy For Each Bank

The timelines below trace how Danske Bank, Swedbank, SEB, and Nordea publicly addressed AML risks and responded to regulatory, media and reputational pressures between 2014 and 2024. While the timing and severity of each bank's exposure varied, general patterns emerged, such as limited early transparency, reactive communication during controversy and eventual emphasis on systems, technology and institutional transformation. These timelines provide a clear comparative basis for understanding how each institution framed financial crime risk, engaged with accountability and repositioned itself over the defined phases.

4.1.1 Danske Bank

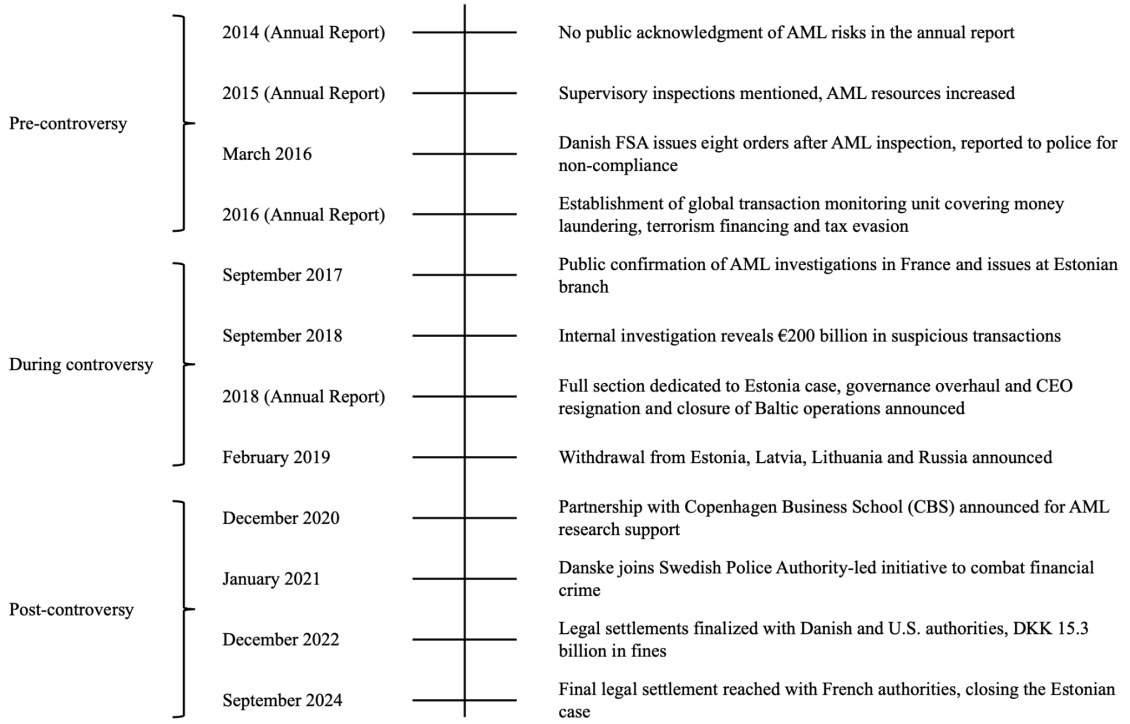


Figure 1: Key events and statements from Danske Bank's annual reports and press releases

Danske Bank made no public reference to AML risks until regulatory inspections began in 2015-2016. Between 2017 and 2019, the controversy escalated with public investigations, internal admissions and major reforms, including executive resignations and regional withdrawals. From 2020 onward, Danske Bank emphasized collaboration, system improvements and eventually removed all mention of the Estonian controversy, signaling a shift toward reputational recovery and normalization.

4.1.2 SEB

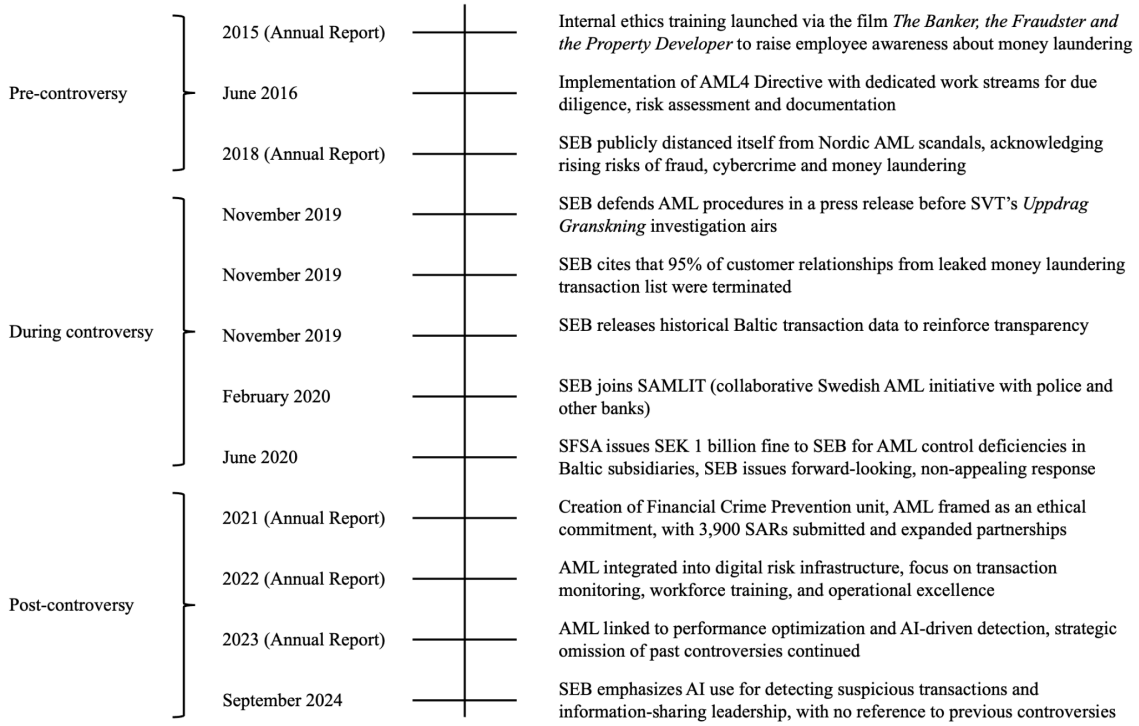


Figure 2: Key events and statements from SEB's annual reports and press releases

SEB's timeline shows gradual AML development from 2015 to 2018, with growing alignment to EU directives. In late 2019, the controversy phase began with public press releases defending its AML efforts and releasing historical data. Regulatory sanctions followed in 2020, alongside active reform initiatives like joining SAMLIT (Swedish Anti-Money Laundering Intelligence Task Force) and creating a financial crime unit. From 2021 to 2024, SEB focused on AI-driven systems and AML integration, while avoiding any reference to earlier controversies.

4.1.3 Nordea

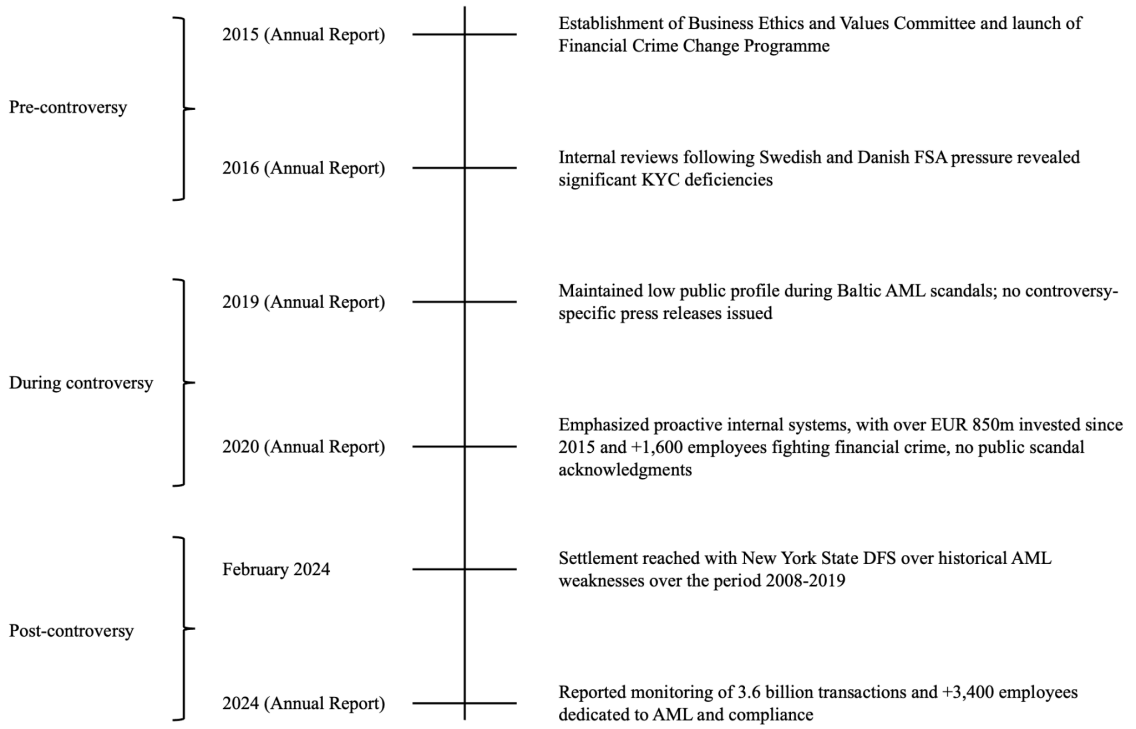


Figure 3: Key events and statements from Nordea's annual reports and press releases

In the case of Nordea, the timeline reflects minimal public engagement with AML issues. Early responses focused on internal ethics programs and structural improvements. During the controversy period (2019-2020), Nordea issued no specific press releases and relied on annual reports to frame its AML work as proactive and large-scale. In 2024, a U.S. regulatory settlement was publicly acknowledged and the bank emphasized transaction volumes and staffing numbers as evidence of compliance maturity.

4.1.4 Swedbank

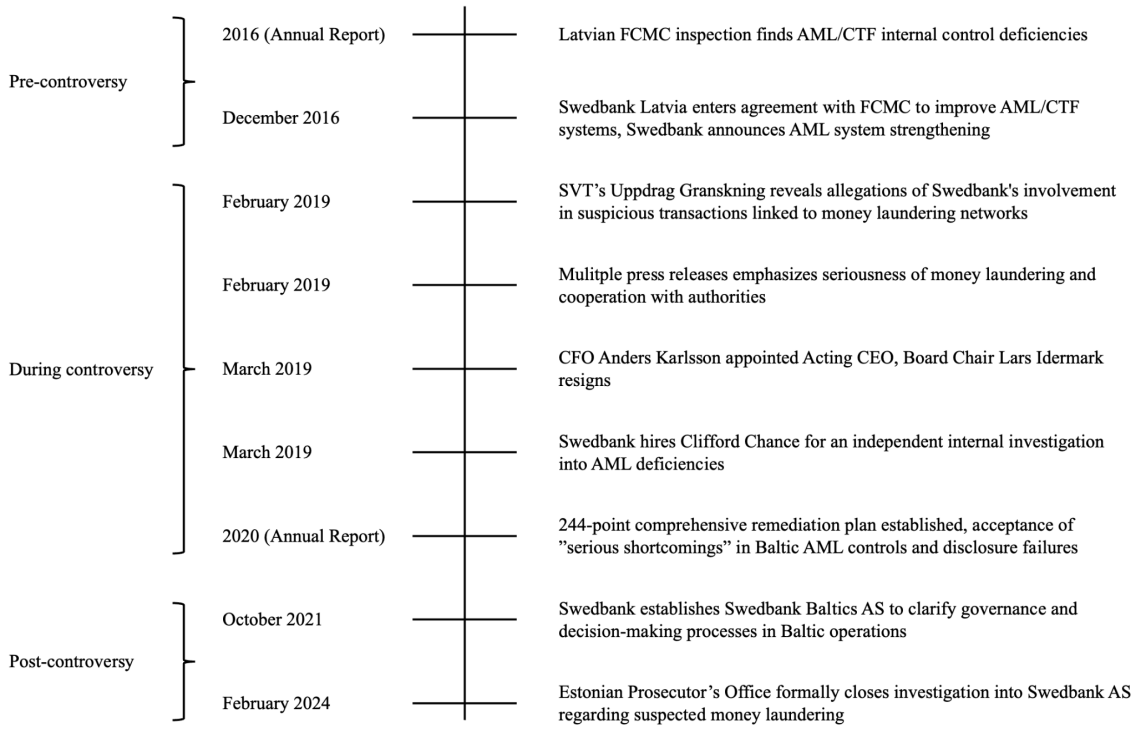


Figure 4: Key events and statements from Swedbank's annual reports and press releases

Swedbank's timeline begins with early regulatory interventions in Latvia in 2016, followed by a major turning point in February 2019 when media investigations triggered public responses and internal investigations. March 2019 marked a wave of leadership changes and the launch of an external audit. Post-controversy, the timeline highlights structural reforms, a remediation plan and finally, the closure of the Estonian investigation in 2024.

4.2 Applied Framing Analysis

4.2.1 Pre-Controversy

During the pre-controversy period, all four banks, Danske Bank, SEB, Nordea and Swedbank, employed framing strategies that largely downplayed or abstracted the risks associated with financial crime. Their communications often relied on procedural or developmental language rather than openly acknowledging vulnerabilities. Drawing on Benford and Snow's (1988) research, this section analyzes the use of diagnostic, prognostic, motivational and moral framing across the bank's pre-controversy disclosures.

Diagnostic framing involves defining a problem and assigning responsibility (Benford & Snow, 1988). Across all banks, diagnostic framing was negligible or evasive during the pre-controversy period. Danske Bank in particular engaged in what Bujaki and

McConomy (2015) would describe as strategic omission. Its 2014 annual report made no mention of money laundering risks or financial crime exposure at all, signaling that the bank did not publicly recognize these as material concerns. Although supervisory investigations were underway in 2015, Danske Bank framed the matter only procedurally, noting that: *"The supervisory authorities conduct ongoing inspections of Danske Bank's compliance with anti-money laundering legislation that could lead to supervisory actions"* (Danske Bank, 2015, p. 10). This phrasing avoids framing money laundering as a strategic threat or attributing any fault internally. Instead, it externalizes the issue as part of routine regulatory interactions: "*The Group has not identified any material deficiencies in its compliance framework for preventing financial crime during the year."* (Danske Bank Annual Report 2014, p. 63). SEB similarly kept diagnostic framing abstract and procedural. Its 2014 report discussed risk management only generally: *"Risk and capital management is an integral part of the long-term strategic planning and operational business planning processes"* (SEB, 2014, p. 101). Money laundering risks were not specified, suggesting that financial crime was submerged under generic risk categories. Nordea also avoided direct diagnostic framing of vulnerabilities, embedding AML concerns within broader compliance and governance discussions. Even when acknowledging shortcomings in KYC (Know Your Customer) files, the tone remained technical and depersonalized: *"The investigation… found that many of the reviewed KYC files fall clearly below the standards set forth in the Group's policy… related to enhanced due diligence required for high-risk customers"* (Nordea, 2016, p. 51). Swedbank's early framing was similar. Compliance was presented as part of standard operational risk management, with the 2014 report stating that: *"Every large business unit has a risk function and a function for compliance. They identify, monitor and report operational and compliance related risks and are responsible for measures to prevent money laundering and terrorist financing"* (Swedbank, 2014, p. 35). This procedural language shifts focus away from any systemic vulnerabilities, offering what Linsley and Kajüter (2008) would describe as defensive impression management by framing risks as already controlled and internalized. Thus, pre-controversy diagnostic framing across all four banks primarily functioned to minimize perception of risk and deflect responsibility, often through generalized compliance discussions.

Prognostic framing involves proposing solutions or actions to solve identified problems (Benford & Snow, 1988). Although few banks openly diagnosed problems, some nevertheless framed forward-looking programs to suggest proactive control. Nordea offers the clearest case regarding prognostic framing. In response to external regulatory pressures, it introduced a Financial Crime Change Programme: *"To address the deficiencies highlighted by the Swedish FSA… and the similar deficiencies highlighted by the Danish FSA, the bank established a Financial Crime Change Programme in 2015"* (Nordea, 2016, p. 51). However, the framing presented this as a forward-looking strategic initiative, not as a reaction to critical failure. This rhetorical move aligns with Beelitz and Merkl-Davies (2019) observation of a "lessons learned" frame, implicitly

acknowledging past deficiencies while emphasizing improvement without dramatizing the original failures. Similarly, SEB framed its compliance enhancements in 2016 as part of adaptation to broader European regulations rather than internal failings. The 2016 report emphasized proactive steps to implement the Fourth Anti-Money Laundering Directive (AML 4): *"SEB is implementing AML 4 in three work streams. The first aims at increasing the bank's knowledge of its customers…The second work stream entails improving SEB's risk assessment processes … Finally, in the third stream internal control documents are revised"* (SEB, 2016, p. 47). Swedbank also introduced technical improvements, but framed these around operational development, emphasizing future efficiencies rather than past failings. For example, it highlighted its new onboarding and transaction monitoring systems as improvements to customer experience: *"Everything Swedbank does should be characterised by high ethical standards, where Swedbank and its employees actively assess every transaction, relationship and activity from the standpoint of the bank's ethical norms"* (Swedbank, 2018, p. 191). Danske Bank's 2016 report similarly detailed the creation of a global function for group-wide transaction monitoring, aimed at detecting risks such as: *"...money laundering, terrorism financing, customer tax evasion, and market abuse activities."* (Danske Bank, 2016, p. 22). Yet again, the framing focused on internal development rather than emergency correction.

Overall, prognostic framing in the pre-controversy period largely served to highlight modernization and efficiency gains rather than to admit prior vulnerabilities. However, in its 2015 annual report, Danske Bank states: *"During 2015, we increased our resources within the anti-money laundering area as part of our continuous effort to promote and ensure compliance with regulation and industry standards."* (Danske Bank, 2015, p. 10). This articulates the actions the bank is taking to address or prevent risks. Rather than diagnosing specific problems, Danske Bank focuses on presenting solutions and improvements as a proactive and continuous response to current investigations: *"As part of our ongoing work to ensure simplicity, efficiency and effectiveness in the operational risk management and compliance areas, we continue to invest in anti–money laundering measures, cyber security and fraud prevention."* (Danske Bank, 2015, p. 10). This aligns with Coomb's (2007) crisis communication theory, which highlights corrective action as a key tactic in restoring or maintaining legitimacy. Conversely, this statement frames the actions taken as a response to previous shortcomings rather than as an effort to only highlight modernization or efficiency gains.

Motivational framing encourages audiences to commit to action and builds a sense of shared purpose or optimism (Benford & Snow, 1988). During the pre-controversy period, motivational framing was limited and mostly implied through vague future-oriented statements rather than direct appeals. One noteworthy exception comes from SEB's 2015 internal ethics initiative, the dramatized film *The Banker, the Fraudster and the Property Developer* (SEB, 2015, p. 25). This effort aimed to increase

employee awareness of ethical risks and can be seen as a sense-giving device (Fiss & Zajac, 2006), intended to foster a proactive, compliant identity among staff. Furthermore, Nordea framed its 2018 AML improvements as a step toward a more capable and efficient organization: *"We have significantly improved our transaction monitoring capabilities… and improved our capabilities of identifying customers with high exposures to financial crime risks."* (Nordea, 2018, p. 60). Although this was not a direct motivational appeal, it suggested a vision of an institution ready to meet future challenges, creating an implicit future-oriented frame (Lodhia & Mitchell, 2022). Thus, motivational framing during pre-controversy was cautious and internal, focusing on employee education and operational modernization rather than broad public engagement.

Moral framing emphasizes ethical values and the organization's adherence to societal norms (Nielsen & Thomsen, 2018). In the pre-controversy period, explicit moral framing around financial crime was largely absent across all banks. Although Swedbank emphasized high ethical standards in its operations, stating that: *"Everything Swedbank does should be characterised by high ethical standards"* (Swedbank, 2018, p. 191), this reference was generalized and not directly tied to money laundering or AML efforts. Nordea's framing of its internal reforms similarly referenced "ethical conduct" and "responsible banking" but avoided explicitly linking these values to the emerging vulnerabilities exposed in the Baltic operations. SEB made even fewer explicit moral claims about financial crime risks. Their language remained procedural, avoiding appeals to values or societal norms: *"In order to improve the quality of the KYC information, an enhanced tool for risk assessment of individual customers was introduced. In addition, a review of customers' due diligence levels was initiated. Transaction monitoring was strengthened with new detection scenarios."* (SEB, 2018, p. 51).Thus, moral framing was negligible during this period. Rather than framing AML efforts as part of a moral commitment, banks portrayed compliance improvements as technical and operational upgrades.

4.2.2 Period of Controversy

4.2.2.1 Diagnostic Framing

Compared to the pre-controversy silence and ambiguity, framing shifted towards partial admissions, strategic blame attribution and defensive acknowledgements, aligning with Benford and Snow's (1988) diagnostic framing concept and Elsbach's (1994) findings that partial acknowledgement can preserve legitimacy better than outright denial.

Danske Bank demonstrated one of the clearest diagnostic framings. As the controversy intensified in 2017 and 2018, Danske Bank explicitly acknowledged systemic institutional failures and highlighted three major deficiencies at its Estonian branch: *"The lack of a proper culture for and focus on anti-money laundering at the Estonian*

branch…, Inadequate governance in relation to compliance and risk… Management follow-up and control were highly dependent on local country management" (Danske Bank, 2017, Press Release, Sept 21). Following the full public disclosure of the 200 billion euro controversy, Danske Bank adopted a framing of controlled admission: *"The bank has clearly failed to live up to its responsibility. This is disappointing and unacceptable and we offer our apologies to all of our stakeholders – not least our customers, investors, employees and society in general."* (Danske Bank, 2018, Press Release, Sep 19). The annual report echoed this full admission: *"It is clear that we have failed to live up to our responsibility in this matter…"* (Danske Bank, 2018, p. 9). Thus, Danske Bank's diagnostic framing followed the pattern of controlled blame acceptance described by Beelitz & Merkl-Davies (2012), attempting to maintain credibility through acknowledgement while still framing the problem as isolated within specific branches and management failures.

Furthermore, Swedbank engaged in more explicit diagnostic framing. The bank's annual report openly recognized systemic shortcomings: *"... Swedbank had serious shortcomings in the anti-money laundering work in its Baltic operations. The bank also had shortcomings in the disclosure of information to the authorities."* (Swedbank, 2020, p. 19). The accompanying public communications reinforced this narrative, although in a procedural tone that avoided personal or specific branch responsibility: *"Swedbank hires the law firm Clifford Chance to lead an internal investigation to confirm the facts and circumstances linked to historical shortcomings in regulatory compliance and exposure to money laundering."* (Swedbank, 2019, p. 4). This strategic admission aligns with Elsbach's (1994) argument that acknowledgment without personal blame can maintain legitimacy by emphasizing systemic reform.

SEB, by contrast, adopted a defensive and partially disputing diagnostic frame. Although it acknowledged regulatory scrutiny, SEB disputed the intensity of the findings: *"After an overall assessment we decided not to appeal the decision, although we do not agree with parts of the conclusions. It is regrettable and unfortunate to receive this kind of criticism and sanction."* (SEB, 2020, p. 7). This reflects Abrahamson and Park's (1994) notion of blame-shifting, where partial disagreement with external assessments serves to protect institutional legitimacy while formally complying with regulatory outcomes. Rather than fully accepting institutional responsibility, SEB strategically acknowledged regulatory criticism while simultaneously being doubtful of the fairness or total validity of the findings. This type of hybrid response represents a tactical balance between minimizing reputational damage and avoiding further regulatory escalation. It allowed SEB to align with Elsbach's (1994) notion that partial acknowledgment can sustain credibility better than outright denial, while still subtly framing itself as a responsible, but unfairly scrutinized actor. Moreover, by characterizing the sanction as "regrettable and unfortunate" rather than admitting structural failure, SEB deployed what Bujaki and McConomy (2015) describe as self-presentational attributions, subtly framing the controversy as a product

of external circumstances rather than inherent organizational weakness: *"The issue of money laundering has been a challenge for society and for the financial system for a long time"* (SEB, 2020, p. 6).

On the other hand, Nordea remained the most evasive. The bank avoided public diagnostic framing almost entirely, focusing instead on operational metrics: *"At Nordea, we are doing our utmost to ensure that our resources, products and services are not used to facilitate financial crime."* (Nordea, 2020, p. 60). By emphasizing technical performance over narrative responsibility, Nordea employed what Elsbach (1994) describes as a risky form of strategic omission, potentially protecting against short-term reputational damage, but risking long-term loss of credibility.

4.2.2.2 Prognostic Framing

In contrast to diagnostic framing, prognostic framing was robust across all four banks throughout this period. Swedbank adopted one of the most aggressive prognostic strategies, emphasizing extensive reforms: *"The preventive work to detect and report suspected money laundering and terrorism financing remains the highest priority at Swedbank. The bank has established an Anti-Financial Crime (AFC) unit to strengthen the fight against money laundering and financial crime."* (Swedbank, 2020, p. 223). Moreover, Swedbank operationalized a comprehensive action plan: *"The comprehensive remediation plan… included a 244-point action plan that specified remedial actions regarding AML/CTF and the sanctions framework in the bank."* (Swedbank, 2020, p. 19). These moves align strongly with Coomb's (2007) concept of corrective action as a legitimacy-rebuilding tool and Benford & Snow's (1988) emphasis on solution-driven framing.

Danske Bank similarly framed its responses through major structural and strategic reforms. The withdrawal from key high-risk markets represented a radical organizational response: *"We acknowledge that the serious case of possible money laundering in Estonia has had a negative impact on Estonian society, and we acknowledge that the Estonian FSA, against this background, finds it best that Danske Bank discontinues its Estonian banking activities,…"* (Danske Bank, 2019, Press Release, Feb 19). Danske Bank further emphasized ongoing investigation and self-correction: *"We are working hard to get to the bottom of the matter and to learn from it, so that we can take all necessary steps to prevent something similar from happening again."* (Danske Bank, 2018, p. 12). Both the language and actions fit the "lessons learned" frame described by Beelitz & Merkl-Davies (2019), where organizations facing scandal publicly acknowledge that failures have occurred, but crucially present these failures as opportunities for organizational learning and improvements. By constructing the controversy as a catalyst for positive change, Danske Bank thus attempts to maintain its legitimacy and portray itself as a dynamic and reforming organization rather than a static and blameworthy one: "O*n the basis of learnings from the Estonia case and following a full review at the end of the year of our*

efforts and ambitions within AML, we have decided to accelerate our AML improvement efforts over the next three years through earmarked investments of up to DKK 2 billion. The purpose is to improve both the quality and the effectiveness of our controls and to integrate the processes into the customer journey..." (Danske Bank, 2018, p. 9)

Furthermore, SEB focused on transparency and technological upgrades as a way to position itself proactively. It disclosed historical data and confirmed regulatory cooperation: *"We want to continue being transparent and have now presented our historical data for the Baltic region in more detail."* (SEB, 2019, Press Release, Nov 26). Additionally, SEB framed its future strategy around sectoral collaboration: *"We now take the next step to make society better at fighting and preventing organized crime."* (SEB, 2020, Press Release, Feb 4). Thus, SEB's prognostic framing emphasized institutional resilience and societal contribution, key tactics for rebuilding legitimacy after a crisis (Benford & Snow, 1988). Nordea, despite its diagnostic silence, strongly emphasized operational improvements and resource investments: *"With over EUR 850m invested since 2015, we have strengthened our risk and compliance platforms… today we have more than 1,600 employees working on combating money laundering and other types of financial crime."* (Nordea, 2020, p. 60-61). Here, Nordea's prognostic framing followed a managerial and capability-building model, focusing on systemic strengthening rather than reputational narratives, an indirect but clear form of prognostic framing (Benford & Snow, 1988).

4.2.2.3 Motivational and Moral Framing

Motivational and moral framing was less prominent, but still present, especially for Danske Bank and Swedbank. Danske Bank's motivational language was particularly visible. Its apologies were coupled with forward-looking redemption appeals: *"The bank has clearly failed to live up to its responsibility. This is disappointing and unacceptable and we offer our apologies to all of our stakeholders – not least our customers, investors, employees and society in general. We acknowledge that we have a task ahead of us in regaining their trust."* (Danske Bank, 2018, Press Release, Sep 19). Furthermore, this could also be seen in its annual reports during the controversy: "*Restoring trust will be a long-term effort, but the work has begun and we are determined to succeed*" (Danske Bank, 2018, p. 4). This fits Abrahamson & Baumard's (2008) concept of a "progressive façade," promising an improved future without denying the past. Swedbank's motivational framing similarly emphasized a commitment to transformation: *"Money laundering is one of the industry's biggest challenges. Preventing money-laundering is one of our highest priorities."* (Swedbank, 2019, p. 4). This sense-giving approach (Fiss & Zajac, 2006) sought to mobilize stakeholders around a shared goal of restoring institutional integrity. In terms of moral framing, Danske Bank was the most explicit in linking its failures to moral responsibilities: *"We offer our sincere apologies for our failures and the implications the case has had. It is clear that we have failed to live up to our responsibility in this matter…"* (Danske Bank,

2018, p. 9). Meanwhile, Swedbank's decision to commission an independent investigation by Clifford Chance can also be seen as a form of symbolic affirmation of ethical accountability rather than a pure prognostic measure: "*The international law firm Clifford Chance was hired in February 2019 to, with forensic support from FTI and FRA, conduct an investigation of historical shortcomings in compliance, exposure to money laundering or the possible breach of sanctions. The investigation includes Swedbank AB, its global network of branches and relevant wholly owned subsidiaries*" (Swedbank, 2019, p. 18).

Motivational and moral framing during the controversy was negligible for SEB and absent for Nordea. SEB's references to transparency and collaboration, such as *"We now take the next step to make society better at fighting and preventing organized crime"* (SEB, 2020, Press Release, Feb 4), reflect a limited form of motivational framing, focusing on institutional improvement rather than emotional engagement. However, no strong moral framing emerged in SEB's or Nordea's communications. Nordea, in particular, remained focused on technical improvements, emphasizing transaction monitoring and compliance upgrades, without linking these efforts to broader ethical commitments or societal values: "*Nordea continued to strengthen its financial crime defences in 2020. Significant compliance enhancements have been achieved within the areas of: i) governance, ii) IT support of customer due diligence processes, iii) acceleration of KYC files remediations, iv) transaction monitoring capabilities, v) updating Nordea's policies in the light of changes in regulation, and vi) strengthening of Nordea's sanctions programme*" (Nordea, 2020, p. 30).

4.2.3 Post-Controversy Period

Diagnostic framing was substantially reduced in the post-controversy phase. Most banks avoided revisiting the causes of the controversy, emphasizing that remedial measures had already been implemented. For example, SEB and Danske Bank no longer referenced their past regulatory misconduct, reflecting a strategy of retrospective omission. Nordea acknowledged historical deficiencies only in the context of a regulatory settlement, framing the issue as resolved: *"...the bank has taken significant measures to improve financial crime processes and procedures since the period covered by DFS's investigation…"* (Nordea, Aug 2024, Press Release) which reflects a move away from causal diagnosis toward temporal distancing (Benford & Snow, 1988). By describing its previous issues as resulting from old AML procedures, Nordea strategically repositioned its past failures as irrelevant to current operations (Nordea, Aug 2024, Press Release). This technique aligned with Carragee and Roef's (2004) framing contests, where the narrative authority over the past is contested and reframed. Swedbank similarly acknowledged past shortcomings without detailed self-criticism, stating: *"The bank also had shortcomings in the disclosure of information to the authorities."* (Swedbank, 2020, p. 19), but framed them as already addressed. This carefully limited diagnostic framing reflects Elsbach's (1994) observation that

constrained acknowledgment, without extensive self-blame, can help maintain legitimacy, while still appearing accountable.

Moreover, Danske Bank's 2023 and 2024 annual reports excluded any reference to the Estonian scandal altogether, symbolizing a complete decoupling between past controversies and future strategies (Linsley & Kajüter, 2008). Instead, Danske Bank shifted attention to themes like automation and conduct frameworks: *"Increased automation and coverage of transaction monitoring, and establishment and embedding of both the Conduct Risk and Code of Conduct frameworks across the Group."* (Danske Bank, 2023, p. 8).

Prognostic framing, however, remained strong, with all banks emphasizing structural reform and digital transformation. Swedbank's new Baltic governance model and its comprehensive policy framework signaled sustained institutional renewal: *"Swedbank has adopted a Policy on Financial Crime Risk… supplemented by three CEO instructions…"* (Swedbank, 2024, p. 135). By embedding AML efforts into the bank's core decision-making processes, Swedbank projected a sense of normalized vigilance and institutional learning, resonating with the "lessons learned" frame (Beelitz & Merkl-Davies, 2019).

Similarly, SEB's and Danske Bank's focus on AI integration and transaction monitoring portrayed AML as a matter of operational excellence rather than crisis response, which aligns with Benford and Snow's (1988) framing task of solution definition, where the emphasis lies on forward movement and implementation capacity. SEB notably highlighted: *"SEB has also greatly expanded the use of AI, for example in detecting suspicious transaction patterns."* (SEB, 2024, p. 19) while Danske Bank stated an: "*Over the year 2024, we saw strong progress and early proof points across our digital, data and AI and technology transformation agendas*" (Danske Bank, 2024, p. 7). This technical focus also signals a shift toward what Cho et al. (2015) call the strategic use of ESG discourse as a reputational buffer rather than a clear ethical account. Similarly, Nordea emphasized scale and control infrastructure, stating: *"Over 3,400 employees are currently working solely on combating money laundering, sanctions evasion, terrorist financing and fraud."* (Nordea, 2024, p. 193). Here, Nordea combined quantitative metrics with technological emphasis, using numerical scale as a proxy for institutional credibility, a tactic discussed by Fracarolli Nunes & Lee Park (2017) regarding the use of metrics for legitimacy construction.

In addition, motivational framing in the post-controversy period revolved around future-oriented narratives of sectoral leadership and social contribution. Swedbank's and Danske Bank's emphasis on participation in multi-stakeholder initiatives like SAMLIT (Swedish Anti-Money Laundering Intelligence Task Force) signaled a collective commitment to financial integrity. Swedbank's participation was framed within its societal engagement: *"In Sweden, Swedbank actively participates in SAMLIT,*

a collaboration between the police and the banks…" (Swedbank, 2023, p. 257). Danske Bank's language of moving: *"further in the fight against money laundering"* (Danske Bank, 2020, Press Release, Dec 18) and its partnership with Copenhagen Business School (CBS), both reflect Benford and Snow's (1988) motivational framing task to energize support and mobilize collective effort: "*Danske Bank co-finances a new research project at CBS, which will contribute to the fight against financial crime. The aim is to gain more knowledge about the fight against money laundering, among other things, in order to strengthen the efforts in this area*" (Danske Bank, Press Release, Dec 2020). By emphasizing collective action rather than isolated institutional response, the banks used cross-sector collaboration as a motivational device to regain credibility (Fiss & Zajac, 2006).

In contrast, motivational framing was weak or nearly absent in Nordea and SEB's communication. Their post-controversy messaging focused more on performance metrics and internal procedures than on inspiring stakeholder engagement or projecting hopeful futures. For example, SEB emphasized operational details such as: *"Employees are continuously trained to strengthen their awareness of financial crime…Employees are urged to report unethical or illegal incidents, if needed through an independent, external whistleblowing procedure"* (SEB, 2022, p. 87) without projecting broader visions for ethical leadership, reflecting a technical but emotionally detached framing strategy (Lodhia & Mitchell, 2022).

Post-controversy, moral framing largely declined across the Nordic banks. Danske Bank represented a notable exception. Its 2020 statement that it sought to go *"further in the fight against money laundering and terrorist financing as a sector and as a society"* (Danske Bank, 2020, Press Release, Dec 18) and its 2022 apology, where it offered its *"unreserved apology and take full responsibility for the unacceptable failures and misconduct of the past"* (Danske Bank, 2022, Press Release, Dec 13), clearly invoked societal norms and ethical values. This fits Hafenbrädl and Waeger's (2021) model of moral framing, where explicit value alignment and sincere admission are used to reestablish moral legitimacy. However, even at Danske Bank, these references were not consistently maintained in later communications, which shifted toward operational and procedural discourse. In contrast, SEB, Nordea, and Swedbank avoided explicit ethical narratives after the crisis. Their disclosures emphasized technical improvements, digitalization, and regulatory compliance rather than values such as trust, integrity, or societal responsibility. SEB stated that "*In 2021, SEB decided to further enhance the governance and operating model for fighting financial crime by establishing a global function with responsibility for the area… SEB works continuously to develop its capabilities in the financial crime prevention area by developing procedures, processes and system support as well as by reinforcing internal controls.*" (SEB, 2021, p. 89). Swedbank also followed this approach post-controversy by also deploying a more technical framing: "*Swedbank continues to concentrate the Group's resources for*

technologies, investigations and competences connected to the prevention of financial crime. Swedbank is also investing heavily in additional resources and infrastructure regarding KYC, customer risk classification, transaction monitoring and reporting" (Swedbank, 2023, p. 86). Instead of aligning with shared moral norms (Hafenbrädl & Waeger, 2021), these banks shifted toward competence-centered framing (Nielsen & Thomsen, 2018), prioritizing efficiency and resilience over moral identity repair.

4.3 Summary of Findings and Empirical Analysis

The following tables present a summary of how the banks framed their communication strategies during the money laundering controversy across the three phases. Each table evaluates the bank's use of the four framing types based on the degree to which these elements were present in their public discourse. The framing intensity is classified into four levels, 1) Extensive: The framing type is central, consistently applied and clearly articulated in communication, 2) Moderate: The framing type is present in a clear but more selective or limited way, 3) Minimal: The framing type appears sporadically or in a weak and implicit form and lastly, 4) Absent: There is no identifiable use of the framing type in the period analyzed.

While some banks adopted explicit and transformative framing during the phases of the controversy, others relied on more procedural, vague, or minimal engagement. A general trend emerges of increasing framing activity during the controversy phase, followed by a shift toward depersonalized and technical language in the post-controversy period.

Pre-controversy	**Danske Bank**	**SEB**	**Nordea**	**Swedbank**
Diagnostic	Absent	Absent	Minimal	Minimal
Prognostic	Moderate	Moderate	Moderate	Minimal
Motivational	Minimal	Moderate	Minimal	Minimal
Moral	Absent	Absent	Absent	Minimal

Table 5: Degree of framing during the pre-controversy period for each bank

Before the controversy became public, all four banks adopted a low-framing strategy, avoiding clear problem recognition, downplaying risks and relying on vague compliance language, showcasing absent or minimal use of framing.

Controversy	Danske Bank	SEB	Nordea	Swedbank
Diagnostic	Extensive	Moderate	Absent	Moderate
Prognostic	Extensive	Moderate	Moderate	Extensive
Motivational	Moderate	Minimal	Absent	Moderate
Moral	Moderate	Minmial	Absent	Moderate

Table 6: Degree of framing during the controversy for each bank

The controversy phase marked a substantial shift, with Danske Bank and Swedbank clearly diagnosing failures and presenting extensive reforms, while SEB and Nordea remained more cautious. Nordea, in particular, continued to entirely avoid commenting on the controversy in public.

Post-controversy	Danske Bank	SEB	Nordea	Swedbank
Diagnostic	Minimal	Minimal	Minimal	Minimal
Prognostic	Extensive	Moderate	Moderate	Extensive
Motivational	Moderate	Minimal	Minimal	Moderate
Moral	Moderate	Absent	Absent	Minimal

Table 7: Degree of framing during the post-controversy period for each bank

In the post-controversy phase, all banks distanced themselves from past failures, focusing instead on technical improvements and forward-looking reforms, especially Danske Bank and Swedbank, while moral and diagnostic framing nearly disappeared.

5. Discussion

5.1 Shifting Narratives and Strategic Differences in Framing Responses

As theorized by Cho et al. (2015) and Fracarolli Nunes & Lee Park (2017), much of the bank's communication during and after the controversies functioned more as a rhetorical instrument than a driver of genuine and substantial organizational change aimed at restoring legitimacy and influencing stakeholder perceptions. However, while prior research suggests a relatively straightforward deployment of framing strategies, such as problem identification, solution articulation and moral repositioning (Benford & Snow, 1988) the empirical analysis reveals a more dynamic, tactical and at times fragmented use of these frames across the banks.

The analysis found that diagnostic framing was initially limited, cautious and in some cases, strategically avoided altogether, particularly in the pre-controversy period. Danske Bank's silence on money laundering risks in its 2014 and 2015 report is a concrete example which demonstrates a strategic omission (Bujaki & McConomy, 2015) and a deliberate effort to exclude reputational vulnerabilities from public view. However, as the controversy unfolded, particularly in the case of Danske Bank and Swedbank, the banks moved towards more controlled admissions by acknowledging failures without fully embracing organizational responsibility (Beelitz & Merkl-Davies, 2012). Notably, both Danske Bank and Swedbank emphasized deficiencies in local management at their Estonian branches, framing the issue as a contained and geographically isolated issue rather than a systemic organizational failure. On the other hand, SEB's framing illustrates an even more complex defensive maneuver that simultaneously acknowledges regulatory criticism while disputing the fairness of the conclusions. This strategic hybridization of blame acceptance and contestation, a blend of legitimacy protection and reputational distancing, nuances Abrahamson and Park's (1994) model of ritual scapegoating by revealing that blame-shifting can be partial, indirect and carefully phrased rather than outright.

Secondly, the use of prognostic framing, however, was where the banks appeared most consistent with previous research. As Coombs (2007) and Beelitz and Merkl-Davies (2019) observed, corrective action plays a crucial role in repairing legitimacy after a scandal. Across the Nordic banks, especially Swedbank and Danske Bank, a heavy reliance on prognostic framing could be observed outlining reforms, enhancements to internal systems and sectoral collaboration initiatives. Interestingly, the communication not only focused on remediation, but also reframed the scandals as catalysts for modernization, innovation and efficiency. Thus, while aligning with the "lessons learned" frame described by Beelitz and Merkl-Davies (2019), the banks also added a

layer of optimistic rebranding, transforming scandals from crises into opportunities for institutional renewal. This rhetorical move not only sought to restore trust but to reposition the banks as proactive leaders in financial crime prevention, rather than passive reactors to regulatory failures.

While prognostic framing gained strength, motivational framing, surprisingly, often remained underdeveloped. Although Benford and Snow (1988) emphasize the central role of motivational framing in mobilizing stakeholders during times of crisis, the empirical analysis suggests that, beyond isolated examples, such as Danske Bank's financing of AML research at CBS, most banks failed to project strong future-oriented narratives. SEB and Nordea, in particular, seemed to replace motivational appeals with what Lodhia and Mitchell (2022) describe as technocratic communication and mainly emphasized employee training, transaction monitoring statistics and compliance frameworks. Rather than inspiring emotional engagement or collective action, the post-controversy narratives became increasingly procedural and detached, which indicates a notable deviation from motivational framing theory.

Lastly, moral framing was expected to play a critical role according to Hafenbrädl and Waeger (2021), but it appeared only sporadically. Danske Bank, during the height of the controversy, invoked explicit moral language, offering an "unreserved apology" and emphasizing societal responsibility. However, moral framing was not sustained. As the immediate pressure of the controversy lifted, references to ethics, integrity or societal norms quickly faded from communications. SEB, Nordea and Swedbank decisively adopted what Nielsen and Thomsen (2018) refer to as competence-centred framing, strategically emphasising operational efficiency, technological innovation and regulatory compliance, rather than focusing on restoring their ethical legitimacy. This progression suggests that while moral framing may serve as an initial tactic to stabilize legitimacy, it is ultimately temporary and replaced by pragmatic and system-centered narratives once reputational turbulence subsides.

5.2 Reframing Accountability Through Silence, Time, and Technical Authority

While the analysis partially supports principles of framing theory, it also uncovers deeper and more nuanced rhetorical strategies that financial institutions employ to navigate their legitimacy crises. Specifically, the findings illustrate how banks redefined accountability, not through direct moral engagement, but via silence, temporal distancing and appeals to technical expertise. These mechanisms reveal a shift in how legitimacy is maintained and contested, moving away from ethical narratives toward procedural and systemic forms of credibility.

One notable theme is Nordea's strategic use of silence and omission. Nordea's decision to avoid diagnostic and prognostic framing strategies almost entirely, both before and during the unfolding of the controversy, instead focusing on technical metrics, mirrors Elsbach's (1994) findings that strategic omission can protect short-term legitimacy. However, the empirical analysis indicates that Nordea's reliance on omission was not simply a passive or protective strategy, but a rhetorical tactic designed to avoid participation in the broader "framing contest" (Carragee & Roefs, 2004). Rather than engaging in the public negotiation of blame or remedial strategy, as the other banks did, Nordea removed itself completely from the public eye.

Another interesting finding is the sophisticated use of Nordea's temporal distancing. Nordea's framing of its previous failures as remains of old AML procedures exemplifies how organizations can not only reframe the nature of a scandal but also displace it chronologically and portray it as a legacy issue, which is now, according to them, irrelevant. This technique allowed Nordea to acknowledge past investigations while signaling stakeholders that the organization had moved beyond its vulnerabilities. The strategic use of the past tense and the emphasis on the resolution of legacy matters further illustrate what Linsley and Kajüter (2008) identify as symbolic management, which can be viewed as an effort to sever the scandal from the organization's evolving self-presentation. Rather than denying the controversy, Nordea reframed it as resolved, thereby avoiding engagement with moral framing or explicit value alignment and focusing instead on technical adjustment.

Finally, one of the most striking findings is the overall shift from ethics-centered to competence-centered narratives. Early in the controversy, appeals to societal values, stakeholder trust and moral responsibility were evident across all four banks, with some variation (excluding Nordea). However, as reforms were implemented and regulatory settlements were reached, communication evolved toward a language dominated by metrics, AI deployment, operational efficiency and sectoral cooperation. Essentially, the banks reconstituted their legitimacy not through appeals to shared societal norms, but by demonstrating technical expertise, process resilience and regulatory alignment. This progression suggests that, in practice, modern financial institutions increasingly view reputational recovery not as an ethical project but as a technical one, which is a finding that supports and extends Nielsen and Thomsen's (2018) competence-legitimacy study. Moreover, it aligns with Cho et al.'s (2015) concept of organized hypocrisy, where ESG disclosures become a selective presentation of strengths rather than a reflection of moral self-awareness. In this sense, the post-crisis communication does not deny responsibility, but displaces it and frames compliance as a domain of systems, not of values. This reveals a notable departure from earlier crisis literature, which emphasized moral repair and stakeholder alignment (Elsbach, 1994; Hafenbrädl & Waeger, 2021) and instead reveals how legitimacy among the Nordic banks is now increasingly

grounded in demonstrations of technological sophistication and the robustness of institutional systems.

5.3 ESG Disclosures as Contingent Legitimacy Strategies in Times of Controversies

Prior studies on ESG disclosures in times of controversy have largely established that organizations tend to adopt symbolic or selective communication strategies to manage reputational risk (Cho et al., 2015; Fracarolli Nunes & Lee Park, 2017). This includes omitting damaging information (Schwoy et al., 2024), emphasizing vague commitments to responsibility (Brennan & Merkl-Davies, 2014) or reframing failures through future-oriented narratives of reform (Corazza et al., 2020). The framing analysis extended this literature in three ways: 1) by highlighting the temporal phasing of ESG rhetoric, 2) revealing sector-specific forms of symbolic disclosure and 3) uncovering the increasingly operational character of ESG legitimacy claims in the financial sector.

First of all, the analysis contributes to a more dynamic understanding of ESG disclosure during controversy. While previous research, such as Brennan and Merkl-Davies (2014) and Lodhia & Mitchell (2022), suggests that firms shift from denial to compliance narratives after scandals, shows that this shift is not linear or consistently ethical. Among the Nordic banks, moral and motivational appeals peaked during the height of public scrutiny, often in the form of apologies, symbolic investigations or appeals to collective integrity, but were later replaced by competence-based narratives centered on AI integration, employee headcounts and technical infrastructure. In contrast to earlier studies that imply a fixed transition from symbolic denial to symbolic accountability (Corazza et al., 2020), the analysis demonstrates how ESG narratives are phased, with different rhetorical tools activated at different moments to manage distinct legitimacy threats.

Secondly, the financial sector reveals a more nuanced pattern of disclosure than previously observed in industries like fashion or pharmaceuticals. While Schwoy et al. (2024) document how ESG reports in the textile and pharmaceutical industries often bypass controversy entirely, relying on omission or brief legalistic mentions, Nordic banks engaged in more noticeable but controlled acknowledgments. For example, Danske Bank's apology and Swedbank's commissioning of Clifford Chance do not constitute full transparency, but they move beyond silence. Unlike the ESG reports in Schwoy et al. (2024), which mostly avoided the issue altogether, the banks used selective framing to contain the scandal to specific geographies, periods or leadership groups. This suggests that ESG disclosures can serve as measured transparency mechanisms, offering enough acknowledgment to satisfy regulators and the media, without opening the organization to reputational damage.

Finally, the findings underscore an increasing reliance on technical expertise and managerial language in ESG discourse, especially in the post-crisis phase. Previous case studies, such as Corazza et al.'s (2020) analysis of Costa Crociere's post-disaster reports, highlight how firms turn to symbolic language around values like safety and responsibility. However, the Nordic banks shift further, replacing moral terms entirely with metrics, system upgrades and internal restructuring. This indicates that in the financial industry, legitimacy is increasingly derived not from normative alignment but from demonstrations of infrastructure and control. In this regard, the study not only supports Nielsen and Thomsen's (2018) competence-based legitimacy framework, but also refines it since ESG disclosures are not only about appearing efficient, they are about constructing a governance appearance that minimizes the moral dimensions of wrongdoing altogether.

6. Conclusion and Summary

6.1 Conclusion

This study set out to explore how Danske Bank, SEB, Nordea and Swedbank framed their corporate communication before, during and after the Estonian money laundering controversy. By applying Benford and Snow's (1988) framing theory across a ten-year longitudinal dataset of annual reports and press releases, the study found that these institutions strategically mobilized diagnostic, prognostic, motivational and moral frames not as fixed responses, but as fluid rhetorical tools calibrated to the reputational risks and regulatory pressures of each phase.

The findings reveal that ESG disclosures functioned less as static indicators of ethical conduct and more as contingent legitimacy strategies, shifting over time in response to external scrutiny. Pre-controversy communication was largely characterized by silence or vague compliance language, suggesting a deliberate avoidance of diagnostic framing to deflect attention from emerging risks. During the height of the scandal, banks like Danske Bank and Swedbank employed more robust diagnostic and prognostic frames, openly acknowledging failures and proposing structural reforms, yet often distancing these from core leadership or institutional identity. Meanwhile, motivational and moral framing peaked temporarily, largely as a means to reconcile public outrage, before being strategically abandoned in the post-controversy period.

In the aftermath, a notable shift occurred toward competence-based framing. Institutions increasingly framed legitimacy not through moral responsibility but through technical upgrades, system investments and procedural language. This transition, especially pronounced in SEB and Nordea, reflects a broader industry trend where reputational recovery is achieved through operational credibility rather than ethical reconciliation. As a result, ESG narratives became vehicles for governance appearance, projecting order and control while minimizing the moral dimensions of organizational failure.

In answering the research question, the study concludes that Nordic banks framed their communication not as a linear trajectory from denial to redemption, but through iterative, selective and contextualized narratives. These narratives were shaped not only by institutional values but by stakeholder expectations, timing and the evolving threat to legitimacy. ESG disclosures, rather than serving as transparent reflections of ethical reform, became adaptive framing devices, used to defend, reorient and ultimately re-legitimize the banks in the face of a systemic controversy.

6.2 Limitations

Three main delimitations have been made to narrow the scope of this study. First of all, the study's contextual scope is delimited down to four major Nordic banks, Danske Bank, Swedbank, SEB and Nordea, as a direct result of their involvement in the money laundering controversy in their Baltic branches between the years of 2017 and 2020. The selection of the banks is founded on their prominence in regulatory concerns and media discussion, making them highly suitable for analyzing corporate framing when faced with a reputational controversy.

Moreover, the study focuses on corporate communication in the form of annual reports and press releases between 2014 and 2024. Annual reports were selected because these represent structured and strategic channels of communication that reflect long-term positioning, whereas press releases are employed as more immediate reactions to ongoing events. Communication tools such as social media postings, interviews and customer letters are not considered because of problems of authorial attribution, disparities of tone and intention as well as constrained archive availability.

Lastly, the study is conducted as a qualitative cross-sectional textual analysis of the framing and rhetorical moves made by banks before, during and after the money laundering controversy in Estonia. The study thus does not attempt to measure the operational effect of AML-related reforms or legal consequences in detail. The primary aim is to analyze the evolution of company narratives using the framing theory based on major ideas of Benford & Snow (1988) and Goffman (1974) to gain an understanding of reputation management patterns and moral stance.

6.3 Future Research

Building on this study's insights into how Nordic banks used framing to manage reputational risks, future research could further explore the evolving interplay between ESG communication, organizational legitimacy and stakeholder perception. One potential direction could be to examine how visual and digital tools and framing, such as sustainability dashboards, compliance metrics or interactive ESG platforms, contribute to legitimacy construction, especially in a post-scandal context. A content analysis of these materials, combined with symbolic or discourse analysis, could reveal how aesthetic and technical indicators are used to signal control, transparency and ethical commitment.

Moreover, future studies might explore the topic with different research methods to understand the interpretation of these frames among a variety of stakeholder groups. For example, surveys or experiments could quantitatively assess how investors or the public interpret various framing strategies, while interviews with compliance officers,

communication strategists or regulatory bodies could offer qualitative insights into the intent behind disclosure choices. Longitudinal case studies in other high-risk industries, such as pharmaceuticals, for example, would also enable cross-sectoral comparisons to determine whether the patterns observed in the Nordic banking sector represent broader institutional trends.

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Appendix

A - Usage of AI in Thesis Writing

Throughout the development of the study, ChatGPT-4o (OpenAI) was solely utilized as a linguistic support tool to help improve clarity, coherence and overall quality of the written content. The tool was never involved in empirical analysis, data collection, case study design, document screening, coding activities or framing theory application. All such activities were carried out independently by the authors. AI assistance was limited to language and editorial support, such as suggesting alternative phrasing, defining terminology and polishing the argumentative logic. All content generated by the tool was reviewed carefully and rewritten to adhere to the academic standards of the Stockholm School of Economics.

We recognize the drawbacks of generative AI, the potential for error or unsupported information, and thus utilize it only as a subsidiary writing assistant. It never replaced the author's analytical reasoning, theoretical perceptions or meaningful contributions. In brief, ChatGPT was used only for purposes of linguistic clarity. All design of the research, interpretation and conclusions are the author's own, in complete accordance with institutional policies for AI responsible use.