Klarna

NEWS RELEASE

Klarna receives FCA authorisation, paving way for cashback and balance features

2025-07-30

London, 30th July, 2025 – Klarna, the global digital bank and flexible payments provider today announced that its UK subsidiary, Klarna Financial Services UK (KFSUK) has been authorised by the UK's Financial Conduct Authority (FCA) as an Electronic Money Institution (EMI), unlocking the launch of Klarna balance and Klarna cashback for its 11 million UK consumers later this year.

Already live in the US and across 14 European markets, Klarna balance will allow Brits to hold and manage funds in a Klarna account. Customers will be able to top it up from their debit card, use it to shop with Klarna, receive refunds directly into it, and earn cashback when they shop.

Klarna Cashback will give consumers up to 10% back on purchases made through the Klarna app. No points or gimmicks - the cashback is added straight to their Klarna balance. They can then spend it anywhere Klarna is accepted.

This authorisation marks Klarna's next big step in the UK—moving beyond flexible payments into everyday financial management. While traditional banks are still playing catch-up, Klarna is giving consumers a smarter way to spend—and now, to manage their finances too. This is what modern money management looks like: manage, spend, and get rewarded—without the hassle." said Abby Vickers, Head of Klarna Financial Services UK.

This authorisation was granted to Klarna Financial Services UK Limited (KFSUK), Klarna's dedicated UK entity, and builds on the company's existing UK regulatory permissions. It also lays the foundation for future product expansion, strengthening Klarna's ambition to disrupt traditional retail banking as it becomes a true everyday spending and saving partner for consumers.